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Testimony in Support of Assembly Bill 483

Assembly Committee on Local Government
October 29, 2025

Thank you, Chairman Novak and committee members, for holding a hearing on Assembly Bill 483. This bill gives voters a direct say on whether to approve a wheel tax, a local tax option that's becoming increasingly common in communities throughout the state.

According to the Department of Transportation, 53 municipalities and 14 counties currently impose a local vehicle registration fee, also known as a wheel tax. The adoption of this tax is growing rapidly—in 2011, only four Wisconsin communities imposed a wheel tax, and at least 24 local governments have imposed one just since 2020. Additionally, residents of 10 municipalities that charge a wheel tax have to pay the tax twice, once to their city and once to their county.

These taxes range from $10 to $40 per vehicle and together added up to a $66.7 million burden on Wisconsin citizens in 2024. Some may argue that these are not make-or-break amounts of money, but every cost adds up, especially when you're a family who lives paycheck-to-paycheck and struggles to afford groceries or a senior citizen who has to get by on a fixed income.

Despite the fact that the wheel tax is paid directly by vehicle owners every time they renew their registration, it does not require their direct approval before being imposed. Current law allows municipalities and counties to either impose or increase an existing wheel tax by a simple vote of the city council, village board or county board, a contrast with other similar local taxes that do require a referendum such as property taxes in excess of levy limits.

Assembly Bill 483 is a straightforward change to state law stipulating that local wheel taxes may only be imposed if expressly approved by the voters in a referendum held during a regularly scheduled election. It also applies retroactively to wheel taxes already in place, requiring existing wheel taxes to earn express voter approval within 18 months or be repealed.

This bill doesn't take away options from counties or municipalities. It simply requires local officials to make their case directly to voters and places the ultimate decision with taxpayers, at the ballot box. This requirement will ensure a more public decision-making process, which is critical since these decisions too often take place without proper public scrutiny.

This bill ensures greater accountability and transparency in decisions to raise taxes, particularly benefitting those who can least afford to be nickel-and-dimed. Again, thank you for your time and consideration of this bill. I respectfully ask for your support.

DAVE MAXEY

STATE REPRESENTATIVE • 83RD ASSEMBLY DISTRICT

Testimony on Assembly Bill 483

Assembly Committee on Local Government
October 29, 2025

Thank you, Chairman Novak and committee members, for hearing my testimony on Assembly Bill 483.

Taxation without representation is something our country was founded to reject – yet that's exactly what's happening when local governments impose wheel taxes without voter approval.

Right now, counties and municipalities can impose a wheel tax by simply passing an ordinance without asking voters for approval. This bill requires any new wheel tax to be approved by voters in a referendum held during a regularly scheduled election. If your community already has a wheel tax, it must be approved by voters within 18 months or it will be repealed.

As of October 2025, 51 municipalities and 14 counties have a wheel tax in Wisconsin. This is a significant increase from just a few years ago, with the number of communities with wheel taxes growing rapidly.

Just as schools must go to referendum when they want to raise revenue, local governments should do the same when proposing a wheel tax. Taxpayers deserve transparency, accountability, and, above all, a voice in how their money is spent. This approach ensures accountability and guarantees that new taxes only move forward when they have clear support from the people who will pay them.

I respectfully ask for your support on this bill, and I'm happy to answer any questions.

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ELIJAH BEHNKE
STATE REPRESENTATIVE • 6th ASSEMBLY DISTRICT

Testimony on Assembly Bill 483
Assembly Committee on Local Government
Wednesday, October 29, 2025

Thank you, Chairman Novak, and members of the Local Government Committee, for the opportunity to submit testimony in support of Assembly Bill 483.

This bill is about one simple idea: taxpayers should have a say before a local government imposes or continues a wheel tax. Right now, counties and municipalities can create these fees by ordinance without a public vote. It goes against the principle of accountable fiscal government.

Assembly Bill 483 would require a local referendum before a wheel tax is enacted. It would also require existing wheel taxes to be approved by voters in order to remain in place. This change does not prevent local governments from raising revenue, but it ensures that any decision to increase the burden on taxpayers is made with their approval.

Many of my constituents are frustrated with being taxed more without being asked. This issue directly impacts my Assembly District, where just this spring a county attempted to implement a wheel tax. Thankfully, due to public outcry and pushback, the proposal did not pass. A wheel tax might seem small to some, but for working families and individuals on fixed incomes, it adds up. At a time when people are already feeling the effects of inflation and higher costs, it is more important than ever to protect their right to be heard.

I support good infrastructure and responsible budgeting, but those goals should never come at the expense of public input. Assembly Bill 483 gives the decision back to the people and brings greater transparency to the process.

I respectfully urge the committee to support this bill and move it forward.

Thank you for your time and consideration of this legislation.

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To: Assembly Committee on Local Government
From: Toni Herkert, Government Affairs Director, and Evan Miller, Government Affairs Specialist
League of Wisconsin Municipalities
Date: October 29, 2025
RE: Assembly Bill 483 - Wheel Tax Referendum Requirement

Chairman Novak, Vice-Chair Donovan, and Committee Members,

The League of Wisconsin Municipalities is a nonpartisan, nonprofit membership organization that advocates for the interests of our over 600 member cities and villages, large and small, urban and rural, throughout the state.

Thank you for the opportunity to provide testimony today in opposition to 2025 Assembly Bill 483. While transportation infrastructure may vary widely based on individual community's characteristics, the reality is that road conditions in municipalities of all sizes continue to deteriorate. Local road quality fell from 6.6 on a 10-point scale in 2010 to 6.2 in 2023. In the same period, the share of local roads rated as excellent or very good fell by 9.5%. Local residents and businesses are suffering from this deteriorating road quality with higher vehicle maintenance costs and a bumpier ride to their destination.

In recent visits around the state as part of the ReVITALize Wisconsin Community Highways campaign, local leaders have noted the importance of local roads for our economy, our safety, and our quality of life. For example, a Division Chief with the Oshkosh Fire Department remarked, "Safe, updated roads affect how ambulances, fire, and rescue trucks get out to emergencies all over the City of Oshkosh. Bad roads negatively impact the timing of our responses, not to mention bad roads are rough on our equipment." A realtor and Community Development Authority member in Waterloo commented, "When folks come through Waterloo, looking to move here, the top items are location and curb appeal, and then they see the roads, and they say oh no, oh no. I've lost many home sales due to the bumpy roads."

While local leaders understand the importance of maintaining transportation infrastructure, they do not have the budgetary capacity to address those needs. Despite increases in transportation funding over the past state budgets, in 2023, General Transportation Aids (GTAs) only covered 14.0% to 15.7% of eligible city and village transportation costs. In 2005, GTAs covered 17.1% to 18.3% of eligible costs. While continued investments in GTAs have been appreciated, GTAs have failed to keep pace with inflation resulting in the reduced payments relative to costs. In the same period from 2005 to 2023, levy limits have been imposed then tightened, meaning cities and villages can no longer backfill their local transportation budget with general revenues to the same degree. In addition, transportation costs have grown faster than levy capacity, due to inflation in asphalt, concrete, equipment, and labor costs.

The wheel tax is the only remaining viable and reliable solution for municipalities to fund local transportation projects on their 21,000-plus road miles. Wheel tax revenues help bridge that gap without requiring levy-limit exemptions, referenda, or cuts to other municipal services such as police, fire, parks, and libraries. Currently, 52 cities and villages have local vehicle registration taxes, also known as wheel taxes. Cities and villages of all sizes have turned to wheel taxes, ranging from the largest cities in the state down to municipalities of under 1,000 residents. Wheel taxes ensure that local governments do not fall further behind in maintaining their transportation infrastructure that accommodates resident and business traffic and grows their transportation system for the future.

Much like the State Legislature found it necessary to raise the vehicle registration fee in the 2019-2021 State Budget and raise the title fee in the 2025-2027 State Budget, under current law, local elected governing bodies may also choose to generate necessary transportation revenues by enacting a vehicle registration fee. The Legislature has made certain that all funds generated by a wheel tax must be used for transportation-related purposes. While local governing bodies, much like the State Legislature, seek to receive public input in the process, local governing bodies, also like the State Legislature, have the capacity to raise vehicle registration fees without a referendum.

Wheel taxes provide municipalities predictable and stable year-to-year revenue. Unlike state or federal funding, which can fluctuate or depend on legislative appropriations, a wheel tax provides steady annual revenue tied to the number of registered vehicles within the community. That predictability helps cities and villages develop multi-year capital improvement plans (CIPs) and schedule maintenance at optimal times therefore lowering long-term infrastructure costs. Regular maintenance funded by a stable source reduces the "defer-and-rebuild" cycle, which is costlier over time.

Assembly Bill 483 seeks to change that by requiring local governments to go to a referendum for new and already enacted wheel taxes while still allowing the State Legislature to increase vehicle registration fees without voter approval. Local leaders on governing bodies are elected by the same constituents. If those constituents are displeased with the hard decisions made by their elected officials, voters may choose to elect new people to those positions in the next election.

City and village leaders have their backs against a wall. Their transportation infrastructure is not keeping pace with transportation system needs, and local revenue generation through a wheel tax is becoming a necessity to maintain the local roads that residents and businesses use every day. Communities that adopt wheel taxes hold public hearings and often provide detailed project lists to demonstrate how the revenue will be used, building public trust. Input from the public is considered, but sometimes hard yet necessary votes much rest with the people elected and entrusted to make those decisions that promote a sustainable transportation system and support local growth.

Well-maintained local roads are essential for business attraction, freight movement, and workforce mobility. A dedicated local transportation revenue source ensures that pavement quality and necessary and timely maintenance keep pace with development critical for commercial districts, industrial parks, and housing expansion. In addition, local governments with stable road funding can coordinate better with state and regional highway investments, enhancing overall network efficiency.

Many Midwest states including our neighbors in Iowa, Indiana, Michigan, and Minnesota have local vehicle fees or wheelage taxes as part of their local transportation finance mix. Wisconsin's framework is aligned with this regional norm, meaning maintaining the local option keeps Wisconsin competitive and consistent with its neighbors' approaches.

Our opposition to this legislation isn't asking for special treatment for local governments. It's asking for the same treatment that elected leaders at the state level already have when evaluating the state's transportation needs and the funding necessary to meet those needs.

We appreciate your consideration of the League's comments and concerns on Assembly Bill 483. If you have any questions, you may contact Toni Herkert at therkert@lwm-info.org or Evan Miller at emiller@lwm-info.org.

Property Taxpayers United
for Fairness and Reform
Since 1985

TO: Assembly Committee on Local Government

FROM: Paul Rozeski, Director of Government Affairs & Member Relations, WPT

Date: October 29, 2025

RE: AB 483 / SB 467 - Relating to: local wheel tax referenda

Good afternoon, Chairman Novak, Vice Chair Donovan and members of the committee. Thank you for the opportunity to submit testimony in support of AB 483.

I'm Paul Rozeski and I have the privilege of representing the Wisconsin Property Taxpayers, a membership-based organization representing thousands of small businesses, farms, and homeowners in every corner of the state.

Taxpayers are not adversaries of government; they are its shareholders. Referenda are not barriers—they are bridges between government decisions and public consent, and requiring a public vote does not eliminate local flexibility; it simply ensures that in certain circumstances, when government seeks to increase the financial burden on its residents, those residents have a say in the decision.

In Wisconsin, we are lucky enough to have a case study on how this collaboration between local government and local taxpayers has been put into practice. From 1993 to 2024, there have been over 2000 referenda, with roughly 60% passing statewide. Residents overwhelmingly value quality education and a majority of the time, they have been willing to increase their tax burden to accomplish that, but not every idea or request gets rubber stamped. If there are two things people are generally passionate about, it is the quality of our schools and the quality of our roads. It is reasonable to expect that this trend would continue with wheel tax referenda.

This would reinforce a balance of giving taxpayers a general understanding of where their tax dollars are going while still giving broad flexibility to the municipal professionals to use the funds to best serve the community.

We encourage your support of AB 483 as a vote to strengthen local collaboration and reinforce that Wisconsin is a government by the people and for the people.

Paul Rozeski
Director of Member Services and
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MEMORANDUM

TO: Honorable Members of the Assembly Committee on Local Government

FROM: Collin Driscoll, Government Affairs Associate

DATE: October 29, 2025

SUBJECT: Opposition of Assembly Bill 483

Chairman Novak and Members of the Committee:

Thank you for allowing me the opportunity to provide feedback on Assembly Bill 483, legislation that would require local governments to get approval from their voters, via referendum, in order to enact a local registration fee.

The Wisconsin Counties Association is opposed to this legislation, mainly because it is the only tool we have to raise much needed transportation revenues.

Similar to state legislators, county board members are elected by their constituency to serve as their voice in government. Similar to state legislators, county board members are entrusted by their constituency to do what is best for their districts. Similar to state legislators, county board members are forced to take tough votes at times, including matters like vehicle registration fees. Unlike state legislators, the local vehicle registration fee is the only tool county board members have to raise transportation revenues.

Are vehicle registration fees popular at the state or local level? Absolutely not. I think the majority of Wisconsinites can agree on that. Unfortunately, the cost of building and maintaining roads continues to outpace available revenues at both the state and local level. This results in elected officials having to step up and make tough, unpopular decisions. Those unpopular decisions are necessary to ensure school busses can get our kids to school safely, trucks can get products to the market, emergency vehicles can respond to calls in a timely manner, families can get to doctor appointments, and farmers can continue to feed our state.

Our county board members do their homework, run the numbers, and determine what's best for their districts. They do not impose local vehicle registration fees without doing their due diligence. If left to the voters, these critical but unpopular revenues will not be approved – risking safety and economic growth in every one of our communities.

For these reasons, the Wisconsin Counties Association is opposed to Assembly Bill 483.

Contact: Collin Driscoll, WCA Government Affairs Associate
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