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SOUTHEASTERN WISCONSIN REGIONAL TRANSIT AUTHORITY APPROVES REPORT

Submits Funding, Governance and Operational Recommendations to Governor, Legislature

Milwaukee – Recommendations for a coordinated, regional transit system with seamless bus and commuter rail services were approved today by the Southeastern Wisconsin Regional Transit Authority (RTA). The recommendations fulfill the RTA's statutory responsibility to produce a report to the Governor and Legislature by November 15, 2008. The report results from months of research and community outreach by the RTA as part of its deliberations.

Proceeding with the regional vision, the RTA considered and approved a number of individual recommendations to encourage more coordinated transit in the Kenosha-Racine-Milwaukee corridor.

Specifically:

- The Southeastern Wisconsin RTA Board recommends that it continue as the permanent RTA for southeastern Wisconsin. The permanent RTA will include the counties of Kenosha, Milwaukee, and the urbanized areas of Racine, which is currently defined as the area east of I-94 in Racine County, with the enabling legislation to provide a mechanism whereby other urbanized areas and/or counties could be added at some future date.
- The RTA recommends that it be enabled to levy up to 0.5 percent sales tax as a dedicated source of funding to support transit, commuter rail and other transit projects in the region. The RTA recommends that transit be removed from the property tax, resulting in a mandatory reduction in those taxes. The RTA recommends that all revenue generated from a sales tax stay within each county and be used to pay for each county's recommended transit service plan. In addition, the RTA supports that local municipalities be granted authority to enact up to an additional 0.15 percent sales tax for public safety purposes at the request of each individual municipality and taxable only within that municipality.
- A majority of the RTA board members recommended that the RTA be empowered by the state to maintain oversight of transit service and operations in the RTA region and become the sole designated recipient in the region to receive Federal transit aids from the U.S. Department of Transportation, Federal Transit Administration, state transit funding and the dedicated local funding source for transit raised in each municipality.
- The RTA recommends that it subcontract with the current operators for local bus transit service, or assume operations as appropriate. The RTA also supports establishment of a

local county-wide transit planning group in each county consisting of members appointed by local elected officials. These groups will develop a transit service plan and budget that will be submitted to the RTA. The RTA will then use the transit revenue to prioritize and fund the recommended transit plans, including existing transit needs within and between the counties, as well as new elements recommended by the local transit groups. The local transit groups will be expected to participate in annual audits with the RTA.

- Lastly, the RTA Board recommends that it be granted bonding authority by the governor and legislature to cover capital improvements.

A supermajority of the RTA Board voted to support the funding recommendations after careful consideration of a range of alternatives and after examining practices by peer metropolitan areas throughout the nation. Sales tax is the preferred way of funding transit systems throughout the nation because it grows with a region's economy and it responds to inflation. In addition to property tax relief, the decision to institute a local sales tax to fund public transit was based on the critical and urgent need to identify a stable and reliable source of revenue for our region's ailing transit systems.

“After reviewing all of the options and hearing from all of the regional appointing authorities, the RTA is confident that their recommendations to Governor Doyle appropriately address their charge to identify a permanent and reliable funding source for the local share of capital and operating costs to restore and sustain public transit and build commuter rail in the region,” said Karl Ostby, Chair of the Southeastern Wisconsin Regional Transit Authority.

“Over the course of our study and outreach, we have heard overwhelming support from the regional business and civic communities in support of dedicated funding. We feel this is the only genuine funding option available in the region to provide the revenue necessary to support our existing transit infrastructure and reap the economic benefits that additional connections to Chicago would bring.”

The Southeastern Wisconsin Regional Transit Authority (RTA) was created by the Wisconsin State Legislature and Governor in July 2005 to serve Kenosha, Milwaukee, and Racine counties. The RTA is responsible for identifying a permanent, dedicated funding source for the local share of capital and operating costs for commuter rail and public transit in the region.

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