
BOB JAUCH

WISCONSIN STATE SENATOR

Senator Jauch Testimony on Senate Bill 299

Thank you Chairman Tiffany for agreeing to give this legislation a hearing.

As you can see, this is really a boilerplate bill that is really all about giving two levels of local government some much needed flexibility in how they provide and pay for services.

The Town of LaPointe in Ashland County is made up of Madeleine Island, one of the Apostle Islands located off the South Shore of Lake Superior. While the township and in turn the island are part of Ashland County, you actually have to drive through Bayfield County for 23 miles before actually getting to Ashland County.

This very unique circumstance forces the Town of LaPointe to provide certain services on their own that are also provided by the county because their residents don't have direct access to the county and those services. As you can imagine, this leaves local taxpayers feeling they are paying twice for some services while other taxpayers only pay once.

Rep. Bewley and I were approached earlier this year by the Town of LaPointe and asked to look into possible legislation to help address this issue. The result is SB 299, legislation that allows the Township to ask the County to reduce the township's county levy by the amount the township pays to maintain health services, airports or economic development agencies.

It is important to note that our bill gives the County the final authority over whether or not to enter into an agreement with the township that would reduce their levy. Ashland County is supportive of this legislation because they see this as giving the two local governments another tool in their efforts to work together and provide services to their citizens as efficiently as possible.

The only other county that this bill would impact is Door County, and despite an initial positive response, they have indicated they are not interested in having this tool at their disposal. We are working on an amendment that will narrow the bill to only impact Ashland County.

In short, this bill is exactly why we are here. We ought to work with our local governments to find ways to help them do their jobs more efficiently and effectively and we should encourage more collaboration and flexibility between different levels of governments.



REPRESENTATIVE JANET BEWLEY

WISCONSIN STATE ASSEMBLY

Senate Committee on Workforce Development, Forestry, Mining and Revenue

Public Hearing – SB 299

November 7, 2013

I would like to thank Sen. Tiffany for scheduling a public hearing on SB 299.

SB 299 creates an exemption from the county property tax levy for municipalities on Madeline Island and Washington Island that their own levy taxes for airports, public health or economic development services. The towns must apply to the county board to be exempt from the county property tax levy for the service.

The idea for this legislation came from a constituent Pete Clark, who is the Town Administrator for LaPointe on Madeline Island. Both Madeline Island and Washington Island because of their locations face unique challenges in providing programs and services to residents. This bill will allow the Town of LaPointe and Washington Island to apply to their counties to be exempt from the county property tax levy for services if they can demonstrate that their property tax levy is equal to or more than the county's for the same service.

Senate Amendment 1 is a technical amendment recommended by the Department of Revenue. It changes the effective date of the bill, provides a deadline for applying to the county board, requires the county board to act on the application within 30 days and allows for an appeals process for the towns if the county rejects the application.

Pete Clark is here with me today and can give you specific examples of some of the duplicated expenditures and services between the Town of LaPointe and Ashland County.



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September 24, 2013

Senator Thomas Tiffany, Chair
Senate Committee on Workforce Development, Forestry, Mining and Revenue
P.O. Box 7882
Madison, WI 53707

Re: SB 299

Senator Tiffany,

I am the Town Administrator of La Pointe, WI, on Madeline Island. Our community is the subject and will be a beneficiary of SB 299 which has been referred to the Committee on Workforce Development, Forestry, Mining and Revenue of which you are the Chair. I write to underscore our unequivocal support for this legislation, encourage broad legislative support and to request a public hearing at which testimony can be taken and members of the Committee may ask any questions they have about the Bill, its intent, purpose and effect.

First and foremost, the Bill is narrowly focused to reflect the uniqueness and unique circumstance of Madeline Island and its location vis-à-vis Ashland County. ***No other city, town or village is in a position where it must drive through another county (Bayfield) in order to arrive in the county (Ashland) of which it is a part.*** La Pointe and Madeline Island are a 2.2 mile ferry trip and 23 mile drive from the border of its county. SB 299 is narrowly cast to fairly mitigate the circumstance, programmatic and financial realities of its unique location and situation. The Bill is designed to respond to historical inequities and provide fairness and justice – it is a good and necessary piece of legislation.

History has shown that Madeline Island ***contributes more than \$ 1.6 million to the Ashland County*** budget – more than 24% of the total. The sum total of annual ***County program investment to the Island, however, is approximately \$ 140,000/year, a greater than 10 to 1 ratio of contribution to return investment.*** While there are innumerable programs provided by the County, the Island receives ***NONE*** of them. All health care, health services, business and economic development, elder care, animal care and early-childhood initiatives are self-financed by the Town – in addition to the expenditure/contribution to the County for similar programs to which the Island is not provided access. ***The Island finds itself paying TWICE for a single service*** – no other city, town or village in the County – likely, in the state - is compelled to do the same.

This legislation, SB 299, seeks to correct this historical inequity. The legislation allows the Island to exempt some duplicate expenditures, for services not provided by the County, from its property tax contribution to the County. It is good legislation, serving an important purpose and establishing some level of equality, equity and fairness. Importantly, it reflects that which the legislative majority holds as a guiding principle: greater local control and greater effectiveness in municipal expenditure. This legislation allows local government to conserve some of its limited resources and apply those resources locally, for critical programs, rather than shipping them to the County and hoping that local needs will be met – history has clearly shown that that has not, and will not, happen.

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Senator Tiffany, Chair
Re: SB 299

La Pointe and Madeline Island are not suggesting, and are not proposing, that it exempt all – or even a majority – of its property tax contribution to Ashland County. The maximum amount exempted under SB 299, would be approximately an additional \$ 300,000 – for clearly stipulated programs, which may potentially reduce its contribution to Ashland County to approximately \$ 1.3 million. ***The ratio of contribution to County investment to the Town would remain nearly 4 to 1.***

SB 299 represents an important and significant initiative designed to increase local control and effectiveness of local resources. This legislation, in the end, speaks to limiting big government; increasing local control; endorsing the precept that local expenditures best respond to local needs, and; no city, town or village ought to be compelled to endure double payment for a single service.

I look forward to the opportunity to meet with you and further discuss the Bill and its fair and positive effect on Madeline Island and the Town of La Pointe, as well as offering testimony to the Committee and responding to any questions its members may have. Thank you for your interest and consideration.

Very Truly Yours,

Pete Clark
Town Administrator
Town of La Pointe

Cc: Senator Jauch