## STATE SENATOR KATHY BERNIER

TWENTY-THIRD SENATE DISTRICT



State Capitol • P.O. Box 7882 • Madison, WI 53707 Office: (608) 266-7511 • Toll Free: (888) 437-9436 Sen.Bernier@legis.wi.gov • www.SenatorBernier.com

From:

Senator Kathy Bernier

To:

The Senate Committee on Government Operations, Technology and

**Consumer Protection** 

Re:

Testimony on Senate Bill 690

Relating to: biennial reports regarding fees charged by executive state

agencies.

Date:

January 29, 2020

Chairman Stroebel and members of the committee, thank you for hearing Senate Bill 690 today. State administrative agencies are currently authorized to impose over 16,000 fees on taxpayers, businesses and other entities in Wisconsin. The legislature has authorized a lot of fees but we have not done as well when it comes to monitoring whether those fees are being charged as intended and whether the revenues generated are being spent in the way the legislature intended. The legislature and the administration rarely go back and review the fees to see if they are still needed or are still at an appropriate level for the intended purpose. It is likely that many of these fees need adjustment or need to be eliminated entirely based on changes in how the government does business.

Senate Bill 690 would require state agencies to submit to the governor and the legislature, along with its biennial budget request, a detailed report that lists each fee the agency is authorized to charge. The report will include the following:

- The amount of each fee or the method of calculating the fee if there is no fixed amount.
- An identification of the agency's statutory authority to charge each fee.
- A statement of whether or not the agency currently charges the fee.
- A description of whether and how each fee has changed over time.
- Any recommendation the agency has concerning each fee.

Taxpayers expect us to run our government in the most efficient and accountable fashion possible. Senate Bill 690 helps accomplish that goal by making sure that these fees are regularly reviewed so that we can update them to serve the intended purpose, if that purpose still exists. I hope you will join me and Representative Allen in supporting this simple change to help us properly manage these 16,000 fees going forward. I would be happy to answer any questions you may have.



## Representative • 97<sup>th</sup> Assembly District

## **Testimony on Senate Bill 690**

Fees in Statutes
January 29, 2020

Chairman Stroebel and Committee Members:

Thank you for holding this hearing on Senate Bill 690, relating to biennial reports regarding fees charged by executive state agencies. This bill is designed to assist the legislature in exercising oversight of fees charged by state agencies and adjusting them appropriately. It helps state agencies justify their budget recommendations, and increases government transparency, accountability, and responsibility with taxpayer money.

Generally, fees charged by the State of Wisconsin are intended to offset or eliminate costs to taxpayers. In 2018, the Legislative Reference Bureau performed a survey of state law and administrative rules. The survey revealed that Wisconsin statutes contain approximately 8,000 references to "fees," and administrative code contains more than 8,100 references. A summary provided by LRB—which my staff can provide to you electronically upon request—is 127 pages long. Many of these fees have not been updated in several decades. It is likely that many of the fees have not kept up with the cost of inflation, or do not account for lowered costs through advancements in technology or market factors.

This is not the oversight which taxpayers deserve.

State agencies submit a biennial budget request to the governor during late summer of the even calendar year. SB 690 would require state agencies to submit, along with biennial budget requests, a detailed report that lists each fee the agency is authorized to charge.

The bill defines "fee" as "any amount of money other than a tax that an agency charges a person other than a governmental entity." The report will include the following:

- The amount of each fee or the method of calculating the fee if there is no fixed amount.
- An identification of the agency's statutory authority to charge each fee.
- A statement of whether or not the agency currently charges the fee.
- A description of whether and how each fee has changed over time.
- Any recommendation the agency has concerning each fee.

Evaluating fees on a biennial basis is a reasonable expectation of government. Fair fees benefit everyone.

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The 97<sup>th</sup> Assembly District includes portions of the City of Waukesha and the Towns of Waukesha, Genesee, and Mukwonago.