



ROBERT BROOKS

STATE REPRESENTATIVE • 60TH ASSEMBLY DISTRICT

Assembly Committee on Local Government

Tuesday, May 7, 2019

Thank you for holding a hearing on Assembly Bill 86 and allowing me to testify in favor of this legislation.

Last session, the legislature passed Act 51, which modernized official bonding requirements for municipal officials. The act made filing of an official bond permissive, not mandatory, as many municipalities already purchase employee dishonesty and other insurance coverages to protect against losses due to employee wrongdoing.

Act 51 created an ambiguity regarding the official bond requirements for town municipal judges. Assembly Bill 86 clarifies that the filing of an official bond for town municipal judges is optional, not obligatory. If the town board does not utilize an official bond, the town must obtain a dishonest employee policy or other insurance coverage for the judge. This is similar to existing law for city and village municipal judge filing provisions.

The Wisconsin Municipal Judges Association brought this drafting oversight to my attention and I worked closely with them during the drafting process. You will hear from some of their members today.

Thank you for your time and attention and I ask that you support this legislation. I would be happy to answer any questions.



DUEY STROEBEL

STATE SENATOR • 20TH DISTRICT

Good afternoon. Thank you Chairman Novak and members of the committee for hearing testimony on Assembly Bill 86.

Last session, Rep. Rob Brooks and I authored 2017 Act 51, which gave municipal governments the option of purchasing dishonest employee insurance coverage instead of requiring officials to purchase surety bonds. Such bonds generally only cover the individual official, and do not necessarily extend to the employees of that official. In the private sector, dishonest employee insurance policies are used to protect the enterprise from the actions of either a dishonest officer or employee.

Prior to Act 51, the century-old law required municipalities to obtain bonds for different officers occupying different offices and performing different tasks. Municipalities found this requirement to be expensive, confusing, and unnecessary compared to modern insurance policies. The changes in Act 51 were supported by the League of Municipalities.

Today's bill is necessary because last session's reforms did not cover town judges. This was not an intentional decision, but was the result of how the bill was drafted. The Wisconsin Municipal Judges Association is in favor of today's bill. It is important to note that filing an official bond for town judges is optional, not compulsory, under this measure.

I hope you will support AB 86. I am happy to answer any questions the committee may have.