

May 15th, 2025

Testimony on Assembly Bill 216

Assembly Committee on Housing and Real Estate

Thank you, Chairman Brooks and other Assembly committee members, for having a hearing today on Assembly Bill 216 relating to the amount and distribution of the real estate transfer fee.

The real estate transfer fee was established in 1969 and collected locally by the Register of Deeds. Initially, the rate was \$1.00 per \$1,000 of property value, and the county retained 50%, and the state received the other 50%. In 1981, the legislature increased the real estate transfer fee to the current rate of \$3 per \$1,000 and adjusted the distribution so counties retain 20% and the state retains 80% of the revenues generated.

AB 216 would lower the transfer fee to \$2 per \$1000 of value and change the distribution of the revenue generated from real estate transfer fees. Under this bill, 30% of the fees collected continue to be deposited into the state's general fund, 20% are deposited into the Wisconsin Land Information Program, and the county retains 50%.

This bill also modifies the land information program to increase the minimum grant amount that may be awarded to counties for education and training while increasing base budget grants for counties to develop, maintain, and operate land information programs.

Lastly, to reduce an increase in property fraud around the state, the bill requires counties that retain real estate transfer fees to establish a real property notification system. These systems are designed to provide alerts when new documents are recorded in the register of deeds office on a monitored property.

All in all, this bill not only adjusts the real estate transfer fee and its distribution to better support both state and local interests but also strengthens county land information programs and enhances property fraud prevention efforts—representing a significant step toward improving transparency, security, and accessibility in real estate transactions across Wisconsin.

Thank you for your time today and for your consideration of this bill.

Rob Stafsholt

(608) 266-7745 Toll Free: (800) 862-1092 Sen.Stafsholt@legis.wi.gov



STATE SENATOR • 10th SENATE DISTRICT

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P.O. Box 7882 Madison, WI 53707-7882

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DATE:	May 15, 2025
RE:	Testimony on Assembly Bill 216
TO:	Members of the Committee on Housing & Real Estate
FROM:	Senator Rob Stafsholt
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Thank you, Chairman Brooks and Committee members for hearing Assembly Bill 216 today. The goal of this legislation is to lower costs for property owners, reduce property fraud, support statewide land information initiatives, and provide a response to local government funding challenges.

The real estate transfer fee was originally \$1.00 per \$1,000 of property value and the county retained 50%, and the state received the other 50%. Currently, the transfer fee is \$3 per \$1,000, and the counties retain 20% and the state retains 80% of the revenues generated.

This legislation lowers the transfer fee to \$2 per \$1000 of value and changes the distribution of the revenue generated from real estate transfer fees. Under this bill, 30% of the fees collected continue to be deposited into the state's general fund, 20% of the fees are deposited into the Wisconsin Land Information Program, and the county retains 50% of the fees.

This bill also modifies the land information program to increase the minimum grant amount that may be awarded to counties for education and training, while increasing base budget grants for counties to develop, maintain, and operate land information programs. The amendment simply clarifies the new funding formula for grants.

Additionally, in an effort to reduce an increase in property fraud around the state, this bill requires counties that retain real estate transfer fees to establish a real property notification system. These systems are designed to provide alerts when new documents are recorded in the register of deeds office on a monitored property.

I thank you for taking the time to consider this bill and I hope you will support it. Please reach out with any questions or concerns.



P.O. Box 389 • Wild Rose, WI 56984 800-344-0421 • fax 715-366-4501

May 15th, 2025

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То:	Assembly Committee on Housing and Real Estate
From:	Wisconsin Land Information Association
Re:	Support of Real Estate Transfer Legislation – AB 216

The Wisconsin Land Information Association (WLIA) supports AB-216 because it provides needed funding for the Wisconsin Land Information Program (WLIP). WLIA is a grassroots organization consisting of over 1,000 public and private sector professionals who develop, maintain, distribute, and utilize land information systems and data critical to all sectors of business in Wisconsin.

WLIA would like to thank Representative Green and Senator Stafsholt for working with our association and others on this important legislation. WLIA would also like to thank Representative Brooks for his work in finding a path to provide the needed funding for the WLIP.

The Wisconsin Land Information Program (WLIP) helps fund the creation and maintenance of foundational data elements: PLSS, tax parcels, aerial imagery, lidar, address points, street centerlines, zoning, administrative boundaries and many more. This data is used for public safety, economic development, emergency management, transportation planning, property ownership and assessment, environmental monitoring, engineering, surveying, utility mapping and more. The WLIP also funds initiatives that make geospatial data widely available, easier to access, and easier to use through web mapping applications, web records applications and open data portals. In some cases, such as the recent Wisconsin Act 235 Judicial Privacy legislation, our professions are on the frontline to shield personally identifiable information. Private industry, non-profits, academia, and all levels of government rely on WLIP supported geospatial data and applications to create greater efficiencies and to enable better decision making.

Over the last 15 years, the geospatial industry has seen tremendous growth in the use and demand of geospatial technology, all while the costs to produce and manage land information have risen through inflation (47% increase) and higher demand. At the same time, WLIP revenues are decreasing with real estate recordings at their lowest point in 30 years. AB-216 addresses this funding shortfall by providing a portion of the Real Estate Transfer Fee to go to the WLIP. This bill would increase the minimum grant amount the Department of Administration may award to counties for education and training grants under the program, while increasing base budget grants that counties are eligible to receive through the WLIP.

The potential impacts of failing to properly fund land information initiatives include:

- Less timely parcel updates, which negatively impacts the real estate industry and home buying process
- Public Land Survey System re-monumentation projects put on hold
- Orthoimagery, a foundational geospatial layer, updated less frequently or not at all
- Loss of county land information offices due to lack of budget for staff
- Reduction in web application functionality and services
- Inability for staff to keep up with technology changes due to limited training and education grants



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The WLIP is a significant part of Wisconsin's land information success story, but the WLIP needs an update to keep up with the increasing demand and rising cost of geospatial data. One of the positive aspects of the WLIP, is the substantial reporting that is done as to how the funds have been spent. Public and private partners alike, can rest assured knowing that this funding is going towards land information related activities that further support and have a compounding impact on Wisconsin's economy, business, and government.

The WLIA would respectfully ask for your support of AB-216, to provide necessary funding that the WLIP and county land information programs need to build on the great work that is being done by land information and geospatial professionals in the State of Wisconsin.

The purpose of the Wisconsin Land Information Association is to foster the understanding, development, operation and maintenance of a network of statewide land information systems. Specifically, the Wisconsin Land Information Association's mission is focused on promoting so



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MEMORANDUM

TO: Honorable Members of the Assembly Committee on Housing and Real Estate

FROM: Marcie Rainbolt, Government Affairs Associate

DATE: May 15, 2025

SUBJECT: Support of Assembly Bill 216

The real estate transfer fee was established in 1969 at a rate of \$1.00 per \$1,000 of property value, with the revenue split evenly between counties and the state. In 1981, the Legislature increased the fee to \$3 per \$1,000 and changed the distribution formula. Under the current structure, counties retain only 20 percent of the revenue, while the state receives the remaining 80 percent.

This fee is collected locally by the Register of Deeds. In fiscal year 2023–24, the real estate transfer fee generated \$118.4 million in total revenue. Of that amount, \$94.7 million went to the state and just \$23.7 million to the counties, despite counties carrying out the administrative responsibility at the local level.

AB 216 proposes a long-overdue and much-needed reform. It would reduce the transfer fee from \$3 per \$1,000 to \$2 per \$1,000. The new distribution formula would allocate 50 percent of the revenue to counties, 20 percent to the Land Information Fund, and 30 percent to the state's General Fund.

Counties have waited 44 years to return to a more equitable distribution of these funds. AB 216 recognizes the critical role counties play in the administration of this fee and ensures they receive a fairer portion of the revenue, while still contributing to the state's general fund.

The Wisconsin Counties Association respectfully urges your support for AB 216.



Heather Kuhn President (715) 232-1228 hkuhn@co.dunn.wi.us Israel Ramon 1st Vice President (414) 278-4011 israel.ramon@milwaukeecountywi.gov Mary Denk 2nd Vice President (715) 743-5163 mary.denk@co.clark.wi.us Sylvia Kerner 3rd Vice President (715) 339-2515 sylvia.kerner@pricecounty.wi.gov

TO: Committee on Housing and Real Estate

FROM: Wisconsin Register of Deeds Association

DATE: May 15, 2025

RE: AB-216, Transfer fee legislation and land records notification system requirement

The Wisconsin Register of Deeds Association (WRDA) would like to express our support for legislation that would provide an equal split of the real estate transfer fee. Specifically, this bill would ensure that each of Wisconsin's 72 counties receives 50% of the real estate transfer fee and requires the implementation of a land records notification system in all county register of deeds offices.

We believe this bill will bring meaningful benefits not just to counties, but to our residents and the state. Currently, the county retains 20% of the fee; this bill would increase the county's portion to 50%. The county's retained real estate transfer fee goes directly into the general fund, and with counties continuing to face tight budgets due to unfunded mandates and rising costs, this proposal would provide critical resources to help us maintain and improve the essential services we provide. It would go a long way in helping us meet the growing needs of the communities we serve.

Additionally, we support allocating 20% of the state's portion of the real estate transfer fee to the Wisconsin Land Information Plan. This portion of the real estate transfer fee will help to improve land information and geospatial systems across every county in Wisconsin. This investment is vital for modernizing our land information infrastructure, ensuring that all Wisconsin residents have access to accurate and reliable geographic and land data. By enhancing technological capabilities and data quality, this funding will strengthen the efficient and effective management of land records statewide.

We are confident that this bill will have a positive impact on land record accuracy, data security, and overall service to the people of Wisconsin. If you have any questions or would like to discuss this further, please don't hesitate to reach out to Heather Kuhn, WRDA president, at 715.232.1228. or via email.

Thank you for your time and consideration.

Margo Katterhagen Secretary (715) 537-6210 margo.katterhagen@co.barron.wi.us Beth Pabst Treasurer (715) 386-4650 beth.pabst@sccwi.gov Tiffany Ringer Past President (715) 421-8455 tiffany.ringer@woodcountywi.gov

"Few things have to last as long as county records."



To: Assembly Committee on Housing and Real Estate

From: Cori Lamont, Vice President of Legal and Public Affairs

Date: May 15, 2025

RE: AB 216/SB 218 - Reducing Wisconsin's Real Estate Transfer Tax

The Wisconsin REALTORS[®] Association (WRA) supports AB 216/SB 218 which reduces Wisconsin's real estate transfer tax to improve housing affordability.

Cutting Wisconsin's real estate transfer tax (Transfer Tax) by one-third would reduce the cost carried by Wisconsin property owners who pay the tax on the sale of real property. Furthermore, modernizing the distribution helps to address local government funding concerns.

Background

When the Wisconsin Transfer Tax was first imposed on property owners in 1970, sellers were responsible for paying \$1.00 for every \$1,000 of property value transferred. At that time, the county and state split the funds received from the tax 50/50. In 1982, the tax was increased to its current rate of \$3.00 per \$1,000 of property value. Additionally, the percentages were changed so the state received 80% and the county received 20%.

The county Register of Deeds is responsible for collecting the tax. Under the current structure, the county keeps its 20% portion of the funds to provide for local services, while the state's 80% goes into General Purpose Revenue (GPR) for the general benefit of the state.

Currently, sellers pay an extra tax when selling their property for every \$1,000 of property value. For a median value home in Wisconsin of \$310,000, the seller pays an additional \$930 in taxes for the sale of their real property. The higher the sales price, the greater the Transfer Tax. In 2024, Wisconsin property owners were taxed an additional \$112 million, just from the Transfer Tax.

- The reduction of funds going to the state eases the burden on property owners. Lowering the Transfer Tax to \$2.00 per \$1,000 of property value will save the median value homeowner \$310.00 in excess taxes. By reducing the Transfer Tax by 33%, property owners save hundreds of dollars during a transaction. Cutting this tax helps offset costs, making it easier for homeowners — especially those on fixed incomes or in financial hardship—to sell their property without excessive tax penalties.
- Modifying the distribution of the Transfer Tax collection to give 50% to the county provides a response to local government funding challenges. This re-allocation increases local government revenue to help further support services needed within a community where the property is located, while eliminating a larger portion going to the fund to generally benefit the state.

- A dedicated set aside of 20% for the Land Information Program benefits the entire . state. The Land Information Program ensures ongoing support for the creation, maintenance, and enhancement of digital parcel mapping and geographic information systems (GIS) across the state. These vital tools are not only used by property owners and the real estate industry but also serve local governments, surveyors, engineers, utility companies, title companies, attorneys, and the public.
- Helps prevent property title fraud. This bill requires counties receiving transfer tax • funds to establish a property recording notification system, enabling property owners to monitor any activity on their title and protect against fraudulent transactions.
- Wisconsin faces a severe housing affordability crisis, driven by historically low • housing inventory and some of the highest property taxes in the nation. Despite this, Wisconsin property owners-who already pay significant annual property taxesare also forced to shoulder additional tax whenever they sell their property. This means that the very individuals trying to move, downsize, or access their home equity are the ones burdened with funding state and local government through an extra tax. It makes little sense for property owners alone to carry this cost.
- Home ownership will continue to be unattainable until housing inventory • increases, property taxes are decreased, and transaction costs borne by the parties are reduced. According to the National Association of Home Builders (NAHB) for every \$1,000 increase in the median new home price, approximately 2,000 households are priced out of the home-buying market.¹
- For small business owners selling property, relocating, or downsizing, the • Transfer Tax adds another financial burden. For instance, a small business owner selling a \$500,000 commercial property pays \$1,500 in Transfer Tax-money that could otherwise be reinvested in equipment, employee wages, or business expansion. This tax directly reduces their capital and can discourage them from making critical business

decisions, ultimately hindering their ability to grow and succeed.

Reducing the Transfer Tax by one-third, provides much needed relief for Wisconsin property owners in the real estate transaction.

We respectfully request your support for AB 216/SB 218.

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Land Records Department

36245 Main St Whitehall WI 54773 Nick J. Gamroth – GIS Specialist/Real Property Lister 715.538.2311 ext. 344

May 15, 2025

Representatives of the Committee on Housing & Real Estate,

Good morning, Chair Representative Brooks and members of the committee. Thank you for the opportunity to speak today on the importance of Assembly Bill 216. I would also like to thank Representative Green and Senator Stafsholt for serving as the lead authors of this bill.

My name is Nick Gamroth, and I work in the Trempealeau County Land Records Department as the Real Property Lister and GIS Specialist. I currently serve on the board of the Wisconsin Land Information Association (WLIA) and am a former President of the Wisconsin Real Property Lister Association.

This bill carries significant implications for the Wisconsin Land Information Program (WLIP) not just for Trempealeau County, but for every county across the state. Like many others, Trempealeau County is at a crossroads in the geospatial profession. Rising costs for geospatial software, maintaining and upgrading county GIS websites, and acquiring updated aerial imagery are making it increasingly difficult to meet growing demands.

To illustrate that demand: Trempealeau County's Land Information website averaged 2,274 users per day between June 2023 and June 2024. Since then, our daily average has risen to 3,262 users—a 44% increase. While maintaining the website is one expense, the greatest costs are in the creation and upkeep of the data that powers it.

From 2020 through 2024, Trempealeau County invested approximately \$796,000 in geospatial projects an increase of 61% compared to the previous four-year period. With tight county budgets, relying on tax levy dollars to support future geospatial initiatives is becoming increasingly unlikely. Without increased WLIP funding, we risk falling behind: software updates may be postponed, the frequency of new aerial imagery may decline, and essential hardware upgrades like servers and printers may be deferred.

This request for increased funding is not unique to Trempealeau County. Counties across Wisconsin have diverse and pressing needs. Some are working to complete Public Land Survey System (PLSS) section corner monumentation projects. Others are building web applications to improve interdepartmental efficiency or support other units of government.

At the heart of this issue are the people who use our data every single day. The demand is growing, and so are the expectations placed on the county GIS and land records departments. Unlike some other services, geospatial operations cannot realistically charge fees to recover these rising costs. In fact, charging additional fees for services already funded by existing WLIP fees goes against the spirit and foundation of the program itself.

Our best chance to sustain and advance this vital work is through your support of Assembly Bill 216.

For your reference, I've attached the resolution approved by Trempealeau County's Executive and Finance Committee. It urges full support from the Trempealeau County Board of Supervisors for AB 216 and its companion bill, SB 218.

Thank you for your time and attention to this important matter. Your support would have a meaningful and lasting impact on the geospatial profession—and on the citizens and communities we serve across Wisconsin.

If you have any questions, please reach out to Nels Rude at nrude@thekammergroup.com

Respectfully,

Nick J. Gamroth Legislative Chair & Board Member, Wisconsin Land Information Association Former President, Wisconsin Real Property Lister Association Member, Trempealeau County Land Information Council

Resolution of Trempealeau County in Support of 2025 Senate Bill 218 (SB-218) & 2025 Assembly Bill 216 (AB-216)

WHEREAS, the Wisconsin Land Information Program (WLIP), governed by State Statue <u>\$16.967</u> and <u>\$59.72</u> and Administrative Rule <u>Chapter Adm 47</u>, and administered by the Division of Intergovernmental Relations within the WI Department of Administration(DOA), provides over \$12 million annually in public funding to Wisconsin Counties for the Modernization of local Land Records; and

WHEREAS, said funding is obtained from Trempealeau County document recording fees retained at the County level and grants awarded by DOA; and

WHEREAS, SB-218 & AB-216 proposes an increase in WLIP Base Budget Grant funding from \$100,000 to \$175,000, increase the Training/Education Grant from \$1,000 to \$5,000, and redistributing approximately \$15-\$16 million of Real Estate Transfer Fee dollars, currently allocated to the State General Fund, into the WLIP fund; and

WHEREAS, currently, the Wisconsin State General Fund gets 80% of the Real Estate Transfer Fee and Counties retain 20% for its General Fund; and

WHEREAS, SB-218 & AB-216 proposes to change the percentage retained by the County to 50%, the Wisconsin State General Fund would receive 30% and the WLIP would receive 20%; and

WHEREAS, to continue to provide efficient services to the Public, Municipalities, County Departments, and Businesses, the increase in funding will allow the Trempealeau County Land Records Department to address the growing costs associated with maintaining software, the online mapping website (which has seen an increase of 44 percent in daily usage over 2024-2025), future aerial flights, and other key projects outlined in the Trempealeau County Land Information Plan; and

WHEREAS, SB-218 & AB-216 proposes to change the amount of Real Estate Transfer Fee from \$3/\$1000 to \$2/1000 of the sale price of real estate resulting in savings for sellers of real estate within Trempealeau County; and

WHEREAS, the Trempealeau County Land Information Council unanimously approved support for Assembly Bill 216 and a recommendation for support to the Trempealeau County Executive Finance Committee; and

NOW, BE IT RESOLVED that the Trempealeau County Board of Supervisors fully supports 2025 Senate Bill 218 & 2025 Assembly Bill 216 and urges the Wisconsin Legislature to pass both bills.