

## MEMORANDUM

**TO:** Honorable Members of the Assembly Committee on Local Government

**FROM:** Kyle Christianson, Director of Government Affairs  
Sherri Hawkins, Wisconsin County Treasurer, Green County  
Teri Jacobsen, Wisconsin County Treasurer, Kenosha County  
Adam Gallagher, Wisconsin County Treasurer, Dane County  
Lynn Neeck, Wisconsin County Treasurer, Price County  
Michael Schlaak, Wisconsin County Treasurer, Calumet County

**DATE:** May 3, 2017

**SUBJECT:** Support of Assembly Bill 169: Municipal Treasurer's Bond

The Wisconsin Counties Association (WCA) and Wisconsin County Treasurers' Association (WCTA) jointly support Assembly Bill (AB) 169, which requires municipalities to either (1) pass an ordinance guaranteeing proper distribution of property taxes to other taxing jurisdictions; or (2) execute a surety bond that guarantees the payment of taxes to the county treasurer. This surety bond, however, must be no less than the amount of taxes due to the state and county.

Under current law, municipalities collect and retain a share of the property tax and redistribute the remainder to other taxing jurisdictions. Wis. Stat. § 70.67 is intended to ensure that taxing jurisdictions receive their share of local property taxes. In addition to counties receiving the county share of the property tax, the county also serves as a collection agent for the state property tax levy, which is passed through the county to the state.

Currently, unless a municipality enacts an ordinance for the payment of taxes, a municipal treasurer must execute a surety bond that cannot be in excess of \$250,000. Due to the statute not being updated since 1991, the surety bond threshold is no longer sufficient to cover the state and county tax levy in the event a municipality is unable to distribute the property tax. This means county and state budgets could be jeopardized if a municipality is unable to make the payment.

WCA and WCTA respectfully request the Committee support AB 169 that will ensure local governments receive their share of the property tax.