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Testimony of Eric Peterson, on behalf of Senator Lena Taylor

AB 22/SB 15 – Municipal Court Fee Schedule

Senate Committee on Judiciary and Labor

Tuesday, August 20, 2013

Honorable Chairman Grothman and members;

Thank you for taking testimony today on Assembly Bill 22 and Senate Bill 15, bipartisan companion bills authored by Senator Taylor and Rep. Thiesfeldt to allow municipalities to generate local revenue through the municipal court fee schedule. Senator Taylor apologizes she could not attend today's hearing to speak to you herself.

This is a simple bill which originated as the Legislature worked on major court reform with the Municipal Court Reform & Restructuring Act, 2009 Act 402. That bill produced a major series of reforms for municipal courts and was followed by this one to provide for fiscal resources for the municipal courts.

AB 22/SB 15 raises the permissible fee threshold for municipal court offenders by \$10. It is important to note that passage of this bill does not mean that fees will be raised. It only raises the limit to which municipalities decide to set fees. Local control will decide if a municipal court does raise the fees allowed by this bill.

For the citizens of Wisconsin, it is also important to note that the fee schedule for municipal court violations is much lower than the state-mandated circuit court fees. Additionally, nothing in this bill changes the allowance for installment payments plans to avoid revocation of a license, which was a major reform won in 2009 for those who could not afford to pay lump-sum fines.

This bill passed the State Assembly 95-1 and is supported the Cities of Milwaukee and Madison, the League of Wisconsin Municipalities, the Wisconsin Towns Association, and the Wisconsin Chiefs of Police Association and the Wisconsin Professional Police Association. I urge your support and will be happy to answer questions.



Jeremy Thiesfeldt

STATE REPRESENTATIVE . 52nd ASSEMBLY DISTRICT

Testimony for AB 22

August 20, 2013

Chairman Grothman and committee members. It is not too often that you have a very short bill but with profound impact for local governments. I bring this bill forward primarily because it gives municipalities using a municipal court the ability to manage their budgets by placing the financial burden on those committing violations to pay for the services they create.

The purpose of AB 22 is to raise the permissible fee threshold for municipal court offenders by \$10 to help offset the costs the court incurs. This bill would increase the maximum filing fee in a municipal court action from \$28 to \$38 when the court finds that the party has violated an ordinance. Of that fee, \$5 is forwarded to the Department of Administration and the municipality retains the balance. The fiscal estimate of this bill is a potential impact of \$4.5 million of increased revenue for operation of the state's 245 municipal courts.

The current fee has been in place since 2005. The lack of recent increases in this fee has made the municipal courts more reliant on the general fund of the parent municipalities. This has been complicated further by property tax caps on municipalities. Municipalities are forced into a decision of budget cuts or possible elimination of the court.

This proposal will transfer more of the burden of funding the municipal court on the perpetrators/offenders and not the taxpayers in general.

Each municipality would still reserve the right to keep their fees the same or increase them. This bill simply allows municipalities to increase them and doesn't mandate that they will. I have heard from numerous judges that the fee does not come close to covering the costs of each case. I am confident that the municipal judges that are here today will also provide other detailed examples of the need for this permissible fee increase.

Even with this proposed allowable increase, the costs for a case in municipal court would still be significantly lower than the costs for a case that might be sent to circuit court. For example even with the proposed \$10 court cost increase an average speeding ticket would be \$98.80 in municipal court and \$160.80 or higher in circuit court.

Municipal courts free the circuit courts from caseloads that are best served at the municipal level. For example, municipal courts handle most of the juvenile cases involving truancy, retail theft, disorderly conduct, damage to property, underage possession and consumption of alcohol, and many other juvenile violations. Circuit courts need to devote their time and resources to repeat and more serious offenses. Without municipal courts many violations would not be addressed. If those cases are ignored or not adequately addressed by the legal system, it often leads to more serious crimes down the road.

A few individuals have expressed to me a concern that a fee increase is being considered which often falls upon those who cannot pay. 2009 WI Act 17 requires that indigent defendants have the opportunity to arrange for an installment plan for the payment of any court judgments or fees to ensure that they do not face driver's license revocation or imprisonment for the failure to pay.

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LAKE COUNTRY MUNICIPAL COURT

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Honorable Timothy T. Kay

July 25, 2013

Senator Scott Fitzgerald
WI State Senator
Senate Majority Leader
State Capitol Building
Post Office Box 7882
Madison, WI 53707-7882
Sen.fitzgerald@legis.wisconsin.gov

Re: 2013 Senate Bill 15

Municipal Court Costs Increase to \$38.00

Dear Sen. Fitzgerald:

My name is Tim Kay and I am the Lake Country Municipal Court Judge. Our Court is comprised of 17 jurisdictions mostly located in Western Waukesha County and it is the largest multi-jurisdictional court in the state. I am writing to ask you for your assistance with respect to the above-entitled matter.

It is my understanding 2013 Assembly Bill 22 has passed and presently 2013 Senate Bill 15 is pending in the Senate and has been assigned to the Judiciary Committee.

I have been informed that years ago a similar bill passed through the Assembly and made its way to the Senate; however, the bill languished in Committee and was not brought to the floor for a vote. I am not entirely positive about the prior legislative history, however, that is the information that was conveyed to me. I would like to see this Senate Bill passed in the next session.

I know that you are busy and have a whole host of major issues of statewide importance before you, and as a true conservative, I applaud your efforts. However, this is an important bill for municipal courts statewide, at least multi-jurisdictional courts like Lake

Country Municipal Court, because the municipal court costs that the courts are allowed to collect are used to fund the municipal court's budget. Therefore from those collected court costs of \$23 per citation, we pay our clerks, bailiffs, staff, rent and other office costs. For the past several years, we have been running a slight deficit. I suspect that other municipal courts throughout the state are experiencing the same financial crunch. We could assess each user municipality a fee to make up the deficit; however, I believe the preferred system would be to pass these costs upon to the specific defendants rather than the law abiding citizens of the municipality. Therefore this should not be viewed as a tax increase upon the general population, but simply a "user" fee upon the specific defendants who are utilizing the municipal court.

As you are aware, for each municipal citation there are various components of a forfeiture. A typical \$88.80 forfeiture that is paid, those funds are divided and broken down as follows:

- 1. The Fine Amount in the amount of \$30.00 which is returned directly to the municipality;
- 2. The Penalty Assessment (26%) in the amount of \$7.80 which is forwarded to the State.
- 3. Jail Fee \$10.00 which is forwarded to the County.
- 4. A Crime Lab Fee in the amount of \$13.00 again forwarded directly to the State;
- 5. State Court Cost of \$5.00 per citation which is forwarded to the State;* and then
- 6. The Municipal Court Cost (currently \$23.00) which is maintained at the municipal court level.*

^{*}Of the \$28 collected, \$5 is sent to the State Dept. of Administration. Of the proposed increased to \$38, again \$5 would be sent to the Dept. of Administration

LAKE COUNTRY MUNICIPAL COURT 174 E. Wisconsin Avenue Oconomowoc, WI 53066

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As you can determine, Items 1 through 5 are forwarded to other agencies and the cost of accounting and forwarding these funds is increasing and our municipal court receives no financial assistance whatsoever from the State or County so that they can receive Items 1 through 5. It is only with Item 6 above that we are allowed to fund our budget and pay operating costs and staff costs. As you may suspect, the State is the largest benefactor even though the State pays nothing towards our budget.

As a case in point, last month the State of Wisconsin received a check from Lake Country Municipal Court in the amount of \$40,405.03. Two months ago, the State of Wisconsin received a check in the amount of \$47,089.95. It appears for as long as I have been the Lake Country Municipal Judge, that the State has received the largest check each month for its court costs as compared to any other entity within our court. The State of Wisconsin each month receives more collection costs than the county or my 17 municipalities. Because the State receives such a large check from our municipal court, the State is greatly benefitted at no cost whatsoever to the State.

So we are requesting the State Legislature to allow municipal courts to operate with a slight increase in court costs in order to continue to fund the municipal court and to allow us sufficient funds to collect the State imposed court costs and forward them to the State of Wisconsin.

We are simply asking to have the Senate allow the vote to take place on this bill which would allow Municipal Courts around the State to slightly increase their court costs and therefore, able to balance their budgets in order to pay necessary operational expenses and to further the court's goal of obtaining compliance with local municipal ordinances; and to further law enforcement's objective for an orderly society.

Anything you may be able to do in order to move this bill from out of Committee would be greatly appreciated. If there is any news or developments on this topic, could you please let me know, or have your staff keep me informed, so that I can likewise communicate developments to the Lake Country Municipal Court Operations Committee, as well as the 17 municipal presidents, town chairs and administrators that belong to our court, and the 17 Police Chiefs and staff that provide assistance to the court.

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If necessary, I have no objection to you providing copies of this correspondence to other senators or assemblymen and/or their staff.

Thank you for your consideration.

Very truly yours,

LAKE COUNTRY MUNICIPAL COURT

Hon. Timothy T. Kay

Municipal Judge

pc Clerk Pamela Strunk

Lt. Gov. Rebecca Kleefish