



Amy Loudenbeck

REPRESENTING WISCONSIN'S 31ST ASSEMBLY DISTRICT

Testimony before Assembly Committee on Ways and Means
Assembly Bill 472
Rep. Amy Loudenbeck

Thank you, Mr. Chairman and committee members, for the opportunity to testify in favor of Assembly Bill 472, relating to: an exception from local levy limits for certain amounts levied for charges assessed by a joint emergency medical services department.

Fire and emergency medical services in Wisconsin have evolved significantly over the past several decades. Call volumes for fires are down. Call volumes for emergency medical services are up. The number of volunteers serving their communities is down. Training requirements are up.

Communities have adapted to these changes, but significant challenges remain. The ability for all of our local communities to find and fund adequate staff are only part of the challenge. Local budgets must also provide adequate resources for apparatus, tools, gear, training, fuel and other items needed to remain operational.

Some local units of government have already utilized their authority under current law to form a Joint Fire Department. The town where I live is part of a joint fire department, along with one other town and one village. The Joint Fire Department operates in accordance with an intergovernmental agreement and has its own board. The Joint Fire Department does not have any taxing authority of its own, but current law does allow the participating local units of government to exclude certain charges assessed by a joint fire department from their levy limit. Specifically, the amount that a municipality levies to pay for charges assessed by a joint fire department may be excluded from the municipality's levy limit, but only to the extent that the amount levied to pay for such charges would cause the municipality to exceed its levy limit. In order for this exclusion from a municipality's levy limit to apply, all of the following must apply:

- The total charges assessed by a joint fire department for the current year, relative to the total charges assessed for the previous year, increased less than or equal to, the percentage change in the Consumer Price Index (CPI) for all urban consumers, U.S. city average, as determined by the U.S. Department of Labor, from October 1 through September 30 of the current year, plus two percent.
- The governing body of each municipality that is served by the joint fire department adopts a resolution in favor of exceeding the limit.

Assembly Bill 472 grants the same exemptions described above for the creation and operation of a joint emergency medical services (EMS) district. This would allow local municipalities who would like to form a joint EMS district, without forming a joint fire department, to receive the same exemptions allowed under current law for a joint fire department.

As I mentioned earlier in my testimony, the delivery of fire protection and emergency medical services has evolved significantly. Perhaps a community has enough apparatus and trained volunteers to cover fire calls, but needs to look for options to provide EMS services to meet the needs of the community. Under the provisions of AB 472, two or more communities could join together to form a Joint EMS District and qualify for the levy limit exemption. This could be a good option for communities that want to pursue a joint EMS arrangement, but are not interested in setting up a joint fire department.

With my testimony today, I'm passing out written testimony from North Shore Fire and Rescue Chief Robert Whitaker. North Shore is a Joint Fire District that is made up of seven municipalities in northern Milwaukee County. As one of the largest joint districts, Chief Whitaker has a unique perspective to share on how important joint districts can be to local communities, as well as an intimate knowledge on how they work. Unfortunately he was unable to be here today, but was kind enough to write testimony for me to share.

I would like to highlight a few of Chief Whitaker's comments that I think would be of interest to committee members.

Thank you for your time today. I would be happy to answer any questions at this time.

NORTH SHORE FIRE/RESCUE

September 26, 2019

Assembly Committee on Ways and Means
State of Wisconsin
Chairperson Rep. John Macco
State of Wisconsin Capitol
2 E. Main St.
Madison, WI 53703

Rep. Macco and Members of the Committee on Ways and Means,

I apologize for not being able to be present today at the Committee Hearing on AB472 relating to an exception from local levy limits for certain amounts levied for charges assessed by a joint emergency medical services department. I submit this written testimony to the Committee.

I testify in support of this bill. I am the Fire Chief of the North Shore Fire Department, a joint fire department located in the northern suburbs of Milwaukee County. Our Department provides fire and emergency medical services to seven suburbs. Formed in 1995, the Department is the result of a consolidation of seven municipal fire departments.

Current State Statute allows for an exception from local levy limits for joint fire departments such as the North Shore Fire Department. This bill would allow the same exception for joint emergency medical service agencies in the State.

Whether under Republican or Democratic Leadership, the State of Wisconsin has long encouraged local municipalities to regionalize services as a means to reduce the cost to our taxpayers. Accomplishing such consolidations is not an easy task. Politics, control and fear of change consistently interfere with achieving consolidation of emergency services in municipalities across the Country. Communities that can accomplish such as feat generally enjoy an initial reduction in costs that can be enjoyed by their constituents in the first year when duplication in positions and capital investments can be eliminated. However, once that new base cost is set, the municipalities that have gone through the hard work of consolidation to reduce costs continue to be restricted by local levy limits which then limit the ability of the consolidated agencies to maintain the service levels they provide. In essence, after one year of consolidated services, the communities that have gone through the hard work of creating a consolidated agency are back to looking to reduce expenses for a new agency that has already been created without duplication of personnel or capital investments.

In 2006, the State of Wisconsin passed a levy limit exception for joint fire departments that has allowed agencies such as the North Shore Fire Department to continue to provide emergency services meeting our constituent's needs. The exception has a cap to the increases that can be authorized, thus limiting out of control spending. The member municipalities of the Department have used this levy cap exception sparingly and I believe other municipalities across the State would do so also. The exception to the cap not only allows the member municipalities to continue to provide critical services after "the fat has been trimmed" through a consolidation and *even more importantly*, it also allows for the cooperation that is necessary to create consolidated agencies. Under current levy limit laws, each municipality finds itself with different levy limits. So, the seven municipalities served by the North Shore Fire Department each have a different levy limit they must comply with annually. Finding a single budget that meets each of those seven levy limits is nearly impossible. The only way to do this is to limit the overall agency levy impact increase by the lowest levy limit of the seven communities we serve. So, while member community may have experienced growth in previous years and need additional services, another member community may have had a stagnant growth factor, which limits their levy limit increase to something very small. Finding a budget that continues to comply with cost-sharing formulas, meets the service needs of the growing community, while meeting the restrictions on the levy in the stagnant community is next to impossible, thus creating tension between the communities that cooperate.

The levy limit exception for joint fire departments provides the flexibility needed to manage some of the challenges I have identified while continuing to ensure municipalities cooperate in the current agency and seek other opportunities for consolidation of other services, thus reducing costs to the taxpayers overall. AB472 would allow for the same flexibility for joint emergency medical service agencies across the State. While these exceptions are critical to future municipal service consolidations, I would also implore the Committee to evaluate the need to evaluate similar challenges the current Expenditure Restraint Program Formulas create for municipalities that participate in consolidated services and also utilize the levy limit exceptions being discussed here today. While these levy limit exceptions provide significant assistance, if the same communities participate in the State's Expenditure Restraint Program, they put themselves in a position to lose their Expenditure Restraint Funding if they legally utilize the levy limit exceptions in the Statutes, thus essentially limiting the usefulness of the levy limit exception for some municipalities that participate in consolidated entities.

Thank you for your service to the State of Wisconsin.

Respectfully,



Robert Whitaker
Fire Chief
North Shore Fire Department

September 26, 2019

Chairman John Macco
Assembly Committee on Ways & Means
State Capitol
Madison, WI 53708

Dear Chairman Macco and members,

I am writing in support of Assembly Bill 472 regarding levy limit exceptions for joint emergency medical services.

As Director of Cambridge Emergency Medical Services and Chair of the Dane County Emergency Medical Services Commission, I can tell you that our sole focus is on providing the highest quality emergency medical response. Over the last 20 years my department and the efforts of all departments in Dane County have been directed towards innovative solutions that decrease response times and increase quality of care. As we continue to work towards these efforts, levy limits and available funding continue to be one impediment towards more thoughtful approaches to this critical public safety area.

Assembly Bill 472 would accomplish two significant goals. First, it would properly make an exception to levy limits for one of the most vital services a municipal government provides. This allows for service improvements in the emergency medical services area to be guided by the best standards of care rather than solely fiscal restraints. Second, in many jurisdictions around the state, and a particular effort in Dane County is a move towards regionalized emergency medical services. This allows a more effective and efficient deployment of services and personnel to provide care regardless of an individuals municipal residence. Allowing levy limit exceptions for joint emergency medical services departments will incentivize continued efforts towards how best to coordinate care over municipal boundaries.

Thank you for having this hearing on Assembly Bill 472. I encourage the committee to vote in favor of the proposal and forward it to the Assembly.

Sincerely,

Bob Salov
Chief, Cambridge Area EMS