



(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2009-10

(session year)

Senate

(Assembly, Senate or Joint)

**Committee on ... Health, Health Insurance,
Privacy, Property Tax Relief, and Revenue
(SC-HHIPTRR)**

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue

Senate Bill 608

Relating to: requiring the Department of Revenue to study income tax reciprocity with the state of Minnesota.

By Senators Kreitlow, Harsdorf, Kapanke and Vinehout; cosponsored by Representatives Hraychuck, Milroy, Rhoades, Richards, Murtha, Danou, Suder, Ballweg, Vos, Zigmunt, Smith, Townsend, Shilling, Ziegelbauer, Brooks, Nerison, Hubler, Knodl and Dexter.

March 10, 2010 Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

March 24, 2010 **PUBLIC HEARING HELD**

Present: (7) Senators Erpenbach, Carpenter, Robson, Lassa, Lazich, Kanavas and Darling.

Absent: (0) None.

Appearances For

- Pat Kreitlow — Sen.

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- Ann Hraychuck — Rep.
- Brad Boycks — WI Builders Association

Registrations Against

- None.

Registrations for Information Only

- None.


March 30, 2010 **EXECUTIVE SESSION HELD**

Present: (6) Senators Erpenbach, Carpenter, Lassa, Lazich,
Kanavas and Darling.
Absent: (1) Senator Robson.

Moved by Senator Lassa, seconded by Senator Erpenbach that
Senate Bill 608 be recommended for passage.

Ayes: (6) Senators Erpenbach, Carpenter, Lassa,
Lazich, Kanavas and Darling.
Noes: (0) None.
Absent: (1) Senator Robson.

PASSAGE RECOMMENDED, Ayes 6, Noes 0



Kelly Becker
Committee Clerk



STATE SENATOR PAT KREITLOW

TESTIMONY BEFORE THE SENATE COMMITTEE ON HEALTH, HEALTH INSURANCE, PRIVACY, PROPERTY TAX RELIEF AND REVENUE

SENATE BILL 608 NEW BENCHMARK STUDY FOR WI-MN INCOME TAX RECIPROCITY MARCH 24, 2010

Good morning, Chairman Erpenbach and committee members. I appreciate you holding a hearing on Senate Bill 608 which creates a benchmark study dealing with a possible new agreement on income tax reciprocity with Minnesota.

Minnesota's decision to end the reciprocity program has been a great source of frustration and inconvenience to many constituents and businesses in my region. Close to 57,000 Wisconsin residents who work in Minnesota were affected by the termination of an agreement which dates back to 1968.

Now, all of those workers will have to file two sets of income taxes beginning in tax year 2010—one for each state—when they used to just file in Wisconsin. It won't cost them any extra tax dollars; in fact, because of how tax rates and deductions are set up, Minnesota's Governor Tim Pawlenty has actually been the one to cost thousands of his citizens extra taxes as well as the inconvenience.

Still, it's an unnecessary inconvenience, ending a decades-long agreement just so Minnesota could get some short-term cash to balance their own budget.

There was some genuine frustration from Minnesota about the lag time before getting their annual "make good" payment from Wisconsin, and we've been very open about our willingness to negotiate a new schedule. But beyond that, Minnesota officials have also been asking for what's called a new "benchmark study" which would gather new information on how many people live in one state, work in the other, and how much income they're making. Both states had been working off figures gathered in 1995 and making estimates beyond that.

Senate Bill 608 would require the Wisconsin Department of Revenue, in conjunction with the Minnesota DOR, to collect the data necessary to complete a new benchmark study. We agree that it's fair to both states to gather new data and lay the groundwork for revisiting the issue once both states have new governors next year.

Thank you for your consideration. I would be happy to answer any questions that you may have.

Vote Record

Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue

Date: _____

Moved by: lassa

Seconded by: erp.

AB _____ SB 608 Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____
 A/S Sub Amdt _____
 A/S Amdt _____ to A/S Sub Amdt _____
 A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:
 Passage Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrency

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Senator Jon Erpenbach, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Tim Carpenter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Judith Robson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Mary Lazich	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Ted Kanavas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Alberta Darling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	_____	_____	_____	_____

Motion Carried

Motion Failed