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To: The Senate Committee on Local Government, Small Business, Tourism and

Workforce Development From: Sen. Dan Feyen Re: Senate Bill 92

Mr. Chairman, members of the committee, thank you for holding this hearing today.

Under a City Manager system, elected council members may appoint a City or Village Manager. The City Manager acts as the CEO and is often the spokesperson and face of the city in the place of an elected Mayor.

In 2013, Act 20 enacted a prohibition on residency requirements for municipal employees with exceptions for police, fire and emergency personnel. This bill carves out another narrow exception, allowing cities and villages that operate under a City Manager system to implement a residency requirement for their appointed City Managers.

This bill offers more local control and additional flexibility through the hiring process of the appointed City Manager. There are currently 10 cities and 10 villages statewide that operate under this type of system. Cities that operate under a Mayor-Council form of government already have a de facto residency requirement in place, since the mayor must be a resident in order to run for office. This bill brings the city-manager led municipalities in line with their Mayor-Council run counterparts.

It is important to note that Senate Bill 92 does not mandate a residency requirement, it merely gives cities and villages who use a City Manager system an additional option to use in the hiring process. The bill also includes a grandfather clause and only applies to those hired after the bills effective date. So, any village or city that currently employs a City Manager, would not be able to retroactively require them to relocate.

I am authoring this legislation to allow the City of Fond du Lac and the City of Oshkosh, in my district, the ability to place a residency requirement on future City Manager hires. I see this as an opportunity to pass common sense, bipartisan reform that gives back local control in the hiring process of City Managers. This bill brings City Manager systems in line with Mayor-Council cities who have mayors that both represent and live within their community.

Thank you for your time today. I welcome any questions you may have.



Senate Committee on Local Government, Small Business, Tourism and Workforce Development Chair, Senator André Jacque Testimony by Representative Mark Spreitzer June 18, 2019

Mr. Chair & committee members:

Thank you for the opportunity to testify in favor of Senate Bill 92. SB 92 is a bipartisan bill that would allow local units of government to decide for themselves whether or not to utilize a residency requirement on city or village managers in those cities and villages that use a manager form of government.

There are currently 10 cities in Wisconsin which operate under a Chapter 64 council-manager form of government, rather than the more common mayor-council form of government under Chapter 62. In addition, 10 villages with populations over 1,000 operate under the Chapter 64 village manager form of government. A list of the cities and villages operating under a Chapter 64 manager system is attached to my written testimony (below).

Under a manager system, elected council or board members appoint a city or village manager, who acts as the chief executive officer in place of an elected CEO such as a mayor. A city manager is often the face of the city, much as a mayor would be. While some council-manager cities use the title "Mayor" to refer to their equivalent of city council president, most do not have a mayor at all.

The 2013 Biennial Budget (2013 WI Act 20) included a general prohibition on residency requirements for municipal employees, with certain exceptions. It is my understanding that residency requirements for managers were not the motivation behind the general prohibition on residency requirements, but no exception was created for managers at that time.

The City of Beloit, which I represent, has used a city manager form of government since the 1920s. Beloit previously enacted a residency requirement ordinance that included the office of city manager. In 2013, while I was serving on the Beloit City Council, the city was forced to repeal this requirement as a result of the change in state law. I know from that time, as well as community and council feedback during Beloit's most recent city manager search in 2015 that the Beloit community continues to feel strongly about city residency for its manager.

Other council-manager cities have considered placing residency requirements on their managers, or have had these requirements in the past.

(Over)

45TH ASSEMBLY DISTRICT

SB 92 carves out a narrow exception to the prohibition on residency requirements, and permits only those cities and villages with a manager system of government to impose a residency requirement. I'd like to make sure this part is clear: under this bill, only those cities and villages that operate under this specific form of government may impose a requirement if they so choose. Additionally, the residency requirement may only be imposed on the city or village manager. It does not apply to heads of departments, police and fire chiefs, nor city administrators, which may be hired in cities operating under a mayor-council system to assist the mayor in administration of the city.

SB 92 is intended to be permissive - it does not mandate that any city or village impose a residency requirement. The goal of the bill is merely to allow this decision to be made where it's best decided: at the local level. This allows for local requirements that reflect the unique needs of each community.

Finally, this bill contains a grandfather clause that ensures that a residency requirement could first be imposed on a manager hired on or after the effective date of this bill, so no currently serving manager can be required to move as a result of adopting this legislation.

It is important to understand that a city with an elected mayor already has a residency requirement for its chief executive: Chapter 62 of state statutes requires that in order to stand for election, a mayoral candidate must reside in the city. SB 92 creates parity for cities operating under a manager form of government by giving them the option of having a residency requirement on their chief executive officer.

In Beloit and other cities operating under this system, it is the manager more so than the elected city councilors who gets invited to speak at public events, to attend ribbon-cuttings, and to participate in a variety of other ceremonies on behalf of the city. It is only fair to allow the city the flexibility to ensure this individual is a city resident if the community feels that is important.

As you can see by the authors on this bill, SB 92 has already received bipartisan support both from members of this committee and both houses of the legislature. I appreciate the work that Representative Thiesfeldt, Senator Feyen, and Senator Ringhand did in reviewing this bill and authoring it with me.

I thank the committee for its consideration of SB 92 and I am happy to answer any questions.

Cities with council-manager	Villages with council-manager
Beloit	Ashwaubenon
Eau Claire	Bayside
Fond du Lac	Brown Deer
Fort Atkinson	Elm Grove
Janesville	Fox Crossing
Lake Mills	Fox Point
Oshkosh	Greendale
Platteville	Menomonee Falls
Two Rivers	Shorewood
Whitewater	Whitefish Bay



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To: Senate Committee on Local Government, Small Business, Tourism, and Workforce

Development

From: Curt Witynski, J.D., Deputy Director, League of Wisconsin Municipalities

Date: June 18, 2019

Re: SB 92, Authorizing Municipalities to Place Residency Requirements on City and

Village Managers

The League of Wisconsin Municipalities supports SB 92, restoring to municipalities organized under ch. 64 as city or village manager communities, the option of requiring their city or village managers to reside in the community where they work. This bill is a narrow exception to the general prohibition against local governments imposing residency requirements on municipal employees.

Of the 602 cities and villages in the state only 10 cities have a city manager and 9 villages have village manager under Ch. 64 of the statutes.

While many cities and villages have created the position of administrator to help run the day to day operations of the community, this bill would not apply to them. It also would not apply to municipal department heads or other members of a municipality's management team.

It is important to note that the bill only applies to managers hired after the effective date of the bill. The bill would not allow a municipality to impose a residency requirement on their current manager.

We urge the committee to recommend passage of this sensible legislation. Thanks for considering our comments.



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CITY MANAGER

TESTIMONY BEFORE

THE SENATE COMMITTEE ON

LOCAL GOVERNMENT, SMALL BUSINESS, TOURISM, AND WORKFORCE DEVELOPMENT

SENATE BILL 92

RELATING TO AUTHORIZING LIMITED RESIDENCY REQUIREMENTS FOR A CITY OR VILLAGE OPERATING UNDER THE CITY MANAGER PLAN

Dear Chairman Jacque and Honorable Members of the Committee on Local Government, Small Business, Tourism and Workforce Development:

Thank you for the opportunity to present our opinion on Senate Bill 92 relating to authorizing limited residency requirements for a city operating under the city manager plan. Currently, local elected officials have no control over whether a city manager lives in the community where they work. We encourage the Wisconsin Legislature to approve this bill so local elected officials are able to make this important policy decision based on the individual needs of their community.

The City of Beloit has operated under a manager system since 1929. The residents often express their desire that city employees be required to live in the community that employs them. Many conversations start out with "My tax dollars pay your wages" or some similar sentiment. Community members appear to see the city manager as the "face" of the city, and residency demonstrates the Manager's support of the industry, commerce and social activities on a daily basis.

Prior to 2013, the City of Beloit had a residency requirement in place through city ordinances that applied to the city manager as well as certain other management positions. The 2013 Biennial Budget (WI Act 20) included a prohibition on residency requirements for municipal employees, and the City of Beloit was forced to repeal its ordinance, much to the chagrin of many taxpaying residents. How can we, as city managers, expect our community to grow and prosper if we, ourselves, live outside of the city limits?

SB92 seeks to regain local control so that local elected officials will have the <u>choice</u> of requiring their city manager to obtain residency in Beloit. Putting aside our personal feelings, as we feel it is

essential for a city manager to live in the community in which they are employed, we encourage the Legislature to give back the power of <u>choice</u> to each municipality operating under a council-manager form of government.

We do not make assumptions or take a position on whether a residency requirement for city managers is a good policy for Beloit or any other community. We simply want to put that decision back in the hands of the City Council rather than the state Legislature.

We encourage your support of Senate Bill 92 and sincerely thank you for the opportunity to present our viewpoint on this important proposal.

Sincerely,

Lori S. Curtis Luther

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Beloit City Manager