

JOAN BALLWEG STATE SENATOR • 14TH SENATE DISTRICT

Senate Bill 303: Local Reporting Requirements Related to General Transportation Aids Testimony of State Senator Joan Ballweg Senate Committee on Transportation and Local Government June 2, 2021

Thank you, Chair Petrowski, and members of the committee for holding this public hearing.

Senate Bill 303 provides a more reasonable financial penalty for towns and villages with a population under 25,000 that do not submit their annual statement for general transportation aids on time. Current law allows the Department of Revenue to reduce aids by one percent for each day late, up to a maximum of 10 percent. Our local towns and villages are less likely to have full-time professional staff and work hard to make every dollar they receive count while maintaining our rural roads. By changing this penalty to \$100 a day with a cap of \$2,200, there is still a factor motivating locals to provide paperwork on time while at the same time not devastating local communities when human error or unexpected situations impede their ability to file on time.

This situation has actually impacted a town in my district. A few years ago, the Town of Newton in Marquette County worked to transition from paper to electronic reporting. The local clerk did not have software compatible with the online reporting feature. Despite attempts to work with the Department of Revenue to fix this problem in a timely manner, there was a delay that resulted in a loss of \$9,000 from their transportation aids. This was especially troubling because of the harsh winter and the excessive flooding they saw that spring. When I spoke with the town chair, he estimated the town had \$350,000 in damages and would only be able to afford \$130,000 worth of repairs. An additional \$9,000 would not have filled that financial gap, but it would have been a significant help in repairing their town roads.

Thank you for your consideration of this legislation, and I am happy to answer any questions.



Date: June 2, 2021

To: Members of the Senate Committee on Transportation and Local Government

From: Representative Warren Petryk

Re: Testimony regarding Senate Bill 303

Good morning Chairman Petrowski and members of the committee. I appreciate this opportunity to come before you today to speak in favor of Senate Bill 303.

Senate Bill 303 is a common-sense simple solution that would align the financial penalty to a more reasonable level for Towns that do not file their annual statement for general transportation aids on time. The bi-partisan bill would change the penalty from 1% each day (With a maximum 10%) to \$100 each day the documentation is late, up to 30 days. After 30 days, the current penalty in state law would go into effect.

As you know, the situation has occurred in Towns throughout the state, including to the Town of Gillman that resides in my district. Representing a district that is made up of mostly Towns, I know that most of them do not have full-time staff, and accidents can happen. But the penalty for that accident should not be as severe as it is now.

Thank you again for this opportunity to testify before the committee.



To: Senate Committee on Transportation and Local Government
From: Representative Mark Spreitzer
Re: Support for Senate Bill 303 / Assembly Bill 287
Date: June 2, 2021

Chair Petrowski & committee members:

Thank you for hearing Senate Bill 303/ Assembly Bill 287, and for the opportunity to submit testimony in favor of this bill. I'd like to thank Senator Ballweg, Senator Smith, Senator Jacque, Representative Petryk, and Representative Dallman for working with me to address this important issue.

SB 303 / AB 287 is a bipartisan bill that would reduce late fees for towns' general transportation aids reports. The current penalty for cities, villages, or towns that submit a late general transportation aids statement to the Department of Revenue is 1% of their aid lost per day, with a maximum loss of 10% of their total aid. This bill reduces the penalty for towns to \$100 per day if submitting late reports and caps the penalty at \$2,200.

As a former city council member in Beloit, and as a state representative for 12 towns, I know firsthand that towns across our state are operating with narrow budgetary margins and limited capacity. While town officials work diligently to support their constituents, many officials are not full-time employees and are juggling many responsibilities. If a town official misses a deadline or files incorrect paperwork, the penalty assessed can be severe.

These harsh penalties have a direct impact on our communities. In a period where our roads and infrastructure are in desperate need of maintenance and repair, the current penalty structure can lead to large reductions in local communities' transportation dollars. Severe penalties may delay essential road repairs by months or years.

In 2019, 9 towns filed late reports and were penalized on their 2019 GTAs. The majority of these reports were less than 3 weeks late, but 6 of the 9 towns still faced the maximum penalty of losing 10% of their GTAs. Under this bill, these towns would still face a late fee, but not the punitive fee in current law.

This bill is an important step forward in finding innovative ways to support our towns while limiting overly harsh penalties that can delay critical work. It will increase funding for towns that are suffering with crumbling roads and failing infrastructure, and will ensure that transportation

45TH ASSEMBLY DISTRICT



dollars are not directed away from the small communities that need it most.

Thank again for your consideration of Senate Bill 303 / Assembly Bill 287. If you have any questions, please call me at (608) 266-1192.

Sincerely,

Mark Spreitzer

Mark Spreitzer State Representative 45th Assembly District

45TH ASSEMBLY DISTRICT

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