

1 **17-42010**

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3 **RESOLUTION: Support Adoption of Senate Bill**
4 **399/Assembly Bill 605: Support the**
5 **Creation of a Joint Powers Authority**
6 **to Increase Local Economic Activity**
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8 **TO THE WINNEBAGO COUNTY BOARD OF SUPERVISORS:**
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10 **WHEREAS**, in response to continued challenges facing the state and national
11 economies, local governments must continually work to identify and implement innovative ways to
12 jump start economic activity in communities across Wisconsin; and
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14 **WHEREAS**, increasing access to local cost capital for businesses that seek to expand or
15 locate in Wisconsin encourages economic development and job creation; and
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17 **WHEREAS**, reducing the cost to local governments for necessary investments in public
18 infrastructure projects preserves state resources and creates savings for Wisconsin taxpayers;
19 and
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21 **WHEREAS**, under current law, Wisconsin local governments may issue federally tax-
22 exempt municipal bonds for public purposes, conduit bonds for private projects that serve a public
23 benefit, and Midwest Disaster Assistance bonds and bonds authorized under the American
24 Recovery & Reinvestment Act to encourage economic development; and
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26 **WHEREAS**, the process of issuing tax-exempt bonds are complex and expensive and, in
27 cases of private conduit issuances, requires long-term monitoring of the debt to insure the
28 preservation of tax-exempt status; and
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30 **WHEREAS**, devoting limited staff and financial resources towards complex bond issues
31 can be cost-prohibitive to local governments who are under increasing pressure to provide more
32 services with fewer funds; and
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34 **WHEREAS**, Senate Bill 399/Assembly Bill 605 clarifies current Wisconsin law, which
35 already allows local units of government to enter into such partnerships and authorizes the
36 creation of a joint powers authority which can act at the request of Wisconsin local governments
37 to issue conduit bonds for private entities engaged in public benefit projects; issue municipal
38 revenue bonds for public purposes; and, create market leverage through cooperative institutional
39 relationships; and
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41 **WHEREAS**, the creation of a joint power authority is necessary to reduce the cost of
42 financing public projects, increase local communities' access to additional financing options for
43 private projects for public benefit and reduce local governments' liability in private activity bond
44 issuances; and
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46 **WHEREAS**, joint powers authority will create investment economics of scale for small
47 public or private projects that may not otherwise have access to low-cost, tax-exempt bond
48 markets due to their size; and
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50 **WHEREAS**, a joint powers authority will also create greater awareness of and access to
51 additional financial resources for local governments and eligible businesses in Wisconsin through
52 local financing programs as well as programs at WHEDA, WHEFA and the state Department of
53 Commerce; and
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WHEREAS, all responsibility for repayment of private activity bonds and related interest lies with the project owner, not the local governmental unit; and, membership in the Commission is voluntary and free of charge to every Wisconsin local unit of government; and

WHEREAS, by streamlining issuance processes and creating efficiencies for local governmental issuers, the joint powers authority will save local entities and eligible private borrowers millions of dollars and other valuable staff resources by providing a one-stop resource that coordinates complicated issuance and post-issuance activities; and

WHEREAS, Senate Bill 399/Assembly Bill 605 is supported by the Wisconsin Counties Association, the League of Wisconsin Municipalities, the National Association of Counties and the National League of Cities.

NOW, THEREFORE, BE IT RESOLVED by the Winnebago County Board of Supervisors that it hereby supports Senate Bill 399/Assembly Bill 605.

BE IT FURTHER RESOLVED by the Winnebago County Board of Supervisors that a copy of this resolution be transmitted by the Winnebago County Clerk to the Office of Governor James Doyle; to all legislators representing constituents within Winnebago County; and to the Wisconsin Counties Association.

Submitted by:

LEGISLATIVE COMMITTEE

Committee Vote:

15-0

Vote Requirement for Passage:

Majority of those present

Approved by Winnebago County Executive this _____ day of

_____, 2010.

Mark L. Harris
County Executive