



TERRY MOULTON



WISCONSIN STATE SENATOR

23RD SENATE DISTRICT

From: Senator Terry Moulton

To: Assembly Committee on Government Accountability and Oversight

Re: Testimony on Assembly Bill 219
Relating to: sales by the state or a political subdivision to employees

Date: May 24, 2017

Mr. Chair and committee members, thank you for the opportunity to submit testimony today. With technology constantly evolving and government needs changing, there are many items owned by a municipality that are no longer useful to them. These items go unused in storage or are sold to the public at a public auction. However, employees of the municipality are not included in this market because they are prohibited from purchasing items that were initially owned by the municipality where they work.

This issue was brought to my attention by Bob Trussoni, the general manager of Marshfield Utilities which is a publicly owned utility. Currently, they have old tools, electrical poles and other equipment available to the public. However, given the specificity and the utility of the items, there is not much interest from the general public to get their hands on these items. In the past, prohibiting municipalities from selling to employers helped prevent employees from getting an unfair advantage in purchasing items. However, if the public is not generally interested in the items, then they go unused sitting in storage.

In the case of Marshfield Utilities, electricians are the biggest market for these specialty items. Employees who do electrical work on the side and are familiar with how to use or repurpose the equipment are not allowed to participate in the auction. This results in employees getting friends not employed by the municipality to buy the equipment for them. Companies that are not publicly owned, like WE Energies, do not have this limitation and can sell surplus items to both the public and employees.

Currently, no department or agency of a state or local government can sell materials or items that are not being used to employees of the municipality. This bill will allow for the state or other local municipalities to sell surplus items to both the public and employees and allows them to make sales online. This bill does not allow for an exclusive sale to employees, it is only allowing employees to be included in the sale with the general public.

Allowing employees to be included in the market for surplus items, especially in cases where the items are particularly unique to a trade, provides a number of benefits. Employees buying the equipment can find better uses for the items that would otherwise go unused. For the municipality, it would provide an additional source of revenue and free up storage space.

This is a common sense bill that will be good for the municipality and the public. Please recommend the passage of Assembly Bill 219. Thank you again for allowing me to submit testimony today.

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