

Ninetieth Regular Session

WEDNESDAY, December 4, 1991

The chief clerk makes the following entries under the above date.

INTRODUCTION OF BILLS

Read first time and referred:

Senate Bill 403

Relating to creating the department of environmental protection, providing penalties and making appropriations.

By Senators Plewa and Stitt; cosponsored by Representatives Holperin, Boyle, Hamilton, Hisrich, Bolle, Gard, Freese, Musser and Lorge.

To Joint Survey committee on Retirement Systems.

Senate Bill 404

Relating to savings and loan association record keeping by optical imaging.

By Senators Ulichny and Huelsman; cosponsored by Representatives Hauke and Schneiders.

To committee on Education, Economic Development, Financial Institutions and Fiscal Policies.

Senate Bill 405

Relating to the fee for copying documents from the clerk of courts, register in probate and sheriff.

By Senator Adelman; cosponsored by Representative Fortis.

To committee on Judiciary and Consumer Affairs.

PETITIONS AND COMMUNICATIONS

State of Wisconsin
Legislative Audit Bureau

November 25, 1991

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Lottery Board to meet our audit requirements under s. 13.94(1)(em), Wis. Stats., and as requested by the Lottery Board to meet its requirements under s.565.37(1), Wis. Stats. Our audit report contains the financial statements and related notes as prepared by the Lottery Board for the two years ended June 30, 1990. We are able to issue an unqualified independent auditor's report on these statements.

During fiscal year 1990-91, the Lottery implemented its second lotto game, SuperCash!. The Lottery also continued to operate its other lotto game, Megabucks, in addition to its instant pull-tab and scratch-off ticket games. In fiscal year 1990-91, the Lottery Board had ticket sales of \$391.4 million and prize expenses of \$222 million, with a net income, after expenses, of \$129 million.

Proceeds from lottery operations are required to be used to provide local property tax relief. Property tax relief, however, can be defined in different ways. As

presented by the Lottery Board in its financial statements and notes, \$25 million of the lottery proceeds were appropriated and used in fiscal year 1990-91 for the purpose of providing property tax relief, including \$14.7 million for farmland tax credits and \$10.3 million for district attorney salaries. Subsequent to June 30, 1991, 1991 Wisconsin Act 39 was enacted which appropriated a total of \$475.3 million of lottery proceeds to be used in the 1991-93 biennium for property tax relief.

We include comments on the Lottery's security and controls in the accompanying report. We noted concerns with the Lottery's investigation of missing tickets and the controls over its new on-line Supercash! game. We appreciate the courtesy and cooperation extended to us by the Lottery Board staff during the audit.

Sincerely,
Dale Cattanach
State Auditor

State of Wisconsin
Legislative Audit Bureau

November 25, 1991

To the Honorable the Legislature:

We have completed our audit of the Wisconsin Lottery's financial statements for fiscal year 1990-91 and issued our unqualified auditor's opinion with the financial statements in report 91-26.

In conducting our financial audit, we also reviewed security and control aspects of the Lottery's operations, which are discussed in this report. Overall, the Lottery has several provisions in place which are intended to provide for secure and well-controlled lottery operations.

However, the Lottery has not developed procedures to ensure the prompt and thorough investigation of incidents of missing instant lottery tickets. As a result, the thoroughness of the four investigations conducted over the past two and one-half years has varied. We provide options for the Lottery Board to consider to ensure any future incidents are investigated adequately.

The Lottery needs to explore additional measures to further ensure that altered tickets are not redeemed. We were able to alter and redeem three lottery tickets without detection by Lottery's current security measures. We also believe the Lottery needs to strengthen its controls over its SuperCash! game and computer access procedures.

We appreciate the courtesy and cooperation extended to us by management and the staff of the Wisconsin Lottery. The Lottery's response is the appendix.

Sincerely,
Dale Cattanach
State Auditor

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State of Wisconsin
Legislative Audit Bureau

November 27, 1991

To the Honorable the Legislature:

We have completed a financial audit of WHA Television, a public telecommunications entity operated by the University of Wisconsin-Extension. The audit was requested by the University of Wisconsin-Extension to fulfill the audit requirements of the Corporation for Public Broadcasting. Our audit report contains the financial statements and related notes for the period July 1, 1990, through June 30, 1991. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by the University of Wisconsin-Extension staff during the audit.

Sincerely,
Dale Cattanach
State Auditor

State of Wisconsin
Legislative Audit Bureau

November 27, 1991

To the Honorable the Legislature:

We have completed a financial audit of WHA Radio, a public telecommunications entity operated by the University of Wisconsin-Extension. The audit was requested by the University of Wisconsin-Extension to fulfill the audit requirements of the Corporation for Public Broadcasting. Our audit report contains the financial statements and related notes for the period July 1, 1990, through June 30, 1991. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by the University of Wisconsin-Extension staff during the audit.

Sincerely,
Dale Cattanach
State Auditor

State of Wisconsin
Legislative Audit Bureau

November 27, 1991

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Educational Communications Board Radio Network to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by the Educational Communications Board to fulfill the audit requirements of the Corporation for Public Broadcasting. Our audit report contains the financial statements and related notes for the period July 1, 1990, through June 30, 1991.

During the audited period, the Corporation for Public Broadcasting changed the accounting treatment for permanent property depreciation, and the Board was

unable to make the accounting change for fiscal year 1990-91. Because this accounting change had a significant effect on the Board's financial statements, we were not able to verify the account balances related to permanent property, accumulated depreciation, and depreciation expenses as of June 30, 1991 and, therefore, presented a qualified opinion.

We will include management recommendations on improving permanent property records in a separate letter to be issued to the Board at a later date. We appreciate the courtesy and cooperation extended to us by the Educational Communications Board staff during the audit.

Sincerely,
Dale Cattanach
State Auditor

State of Wisconsin
Legislative Audit Bureau

November 27, 1991

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Educational Communications Board Television Network to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by the Educational Communications Board to fulfill the audit requirements of the Corporation for Public Broadcasting. Our audit report contains the financial statements and related notes for the period July 1, 1990, through June 30, 1991.

During the audited period, the Corporation for Public Broadcasting changed the accounting treatment for permanent property depreciation, and the Board was unable to make the changes for fiscal year 1990-91. Because this accounting change had a significant effect on the Board's financial statements, we were not able to verify the account balances related to permanent property, accumulated depreciation, and depreciation expenses as of June 30, 1991 and, therefore, presented a qualified opinion.

We will include management recommendations on improving permanent property records in a separate letter to be issued to the Board at a later date. We appreciate the courtesy and cooperation extended to us by the Educational Communications Board staff during the audit.

Sincerely,
Dale Cattanach
State Auditor

State of Wisconsin
Department of Development

November 1991

To the Honorable the Legislature:

As directed by Section 560.905, Wis. Stats., we are enclosing a report summarizing the technology development activities undertaken by the Wisconsin

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Department of Development (DOD) in fiscal year 1990. This report addresses a series of statutory initiatives that are designed to stimulate technology-based economic development in Wisconsin.

Please distribute the copies provided to the members of the State Senate. Copies of the report are also being sent to the Assembly and the Governor.

Technology development is integral to the DOD's economic development strategy. Our programs are designed to encourage new technology commercialization and the growth of high-technology sectors, as well as the improvement of Wisconsin's manufacturing technologies. In all its aspects, technology development is critical to Wisconsin's continuing success in national and global competition.

We hope this report is informative and of use in future policy deliberations. Additional copies of the report are available from Jan Whitcher, DOD, at 608/266/9884.

Sincerely,
Robert N. Trunzo
Secretary

State of Wisconsin
Department of Administration and
November 25, 1991

To the Honorable the Legislature:

In accordance with s. 16.31, Wisc. Stats., the 1992 Wisconsin Housing Strategy Plan has been submitted to Governor Tommy G. Thompson.

Attached for your reference, is a copy of the State of Wisconsin Comprehensive Housing Affordability Strategy (CHAS) which is required by the U.S. Department of Housing and Urban Development. The statutorily required Wisconsin Housing Strategy Plan is Attachment 1 in the CHAS packet.

If you have any questions, please don't hesitate to contact me at 267-4889.

Sincerely,
James R. Klauser
Secretary

State of Wisconsin
Department of Administration and
November 20, 1991

To the Honorable the Legislature:

This report is transmitted as required by 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under section 13.172(3) stats.), and confirms that the Department of Administration had found it necessary to exercise "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of October, 1991.

On October 3, 1991, the Agrichemical Management Fund (Fund 59) balances was \$-5 thousand. This shortfall continued until October 10th when the Recycling Fund balance reached \$ 511 thousand. The shortfall was due to a delayed accounting transfer.

The Agrichemical Management Fund shortfall was not in excess of of the \$400 million ceiling and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the quarterly calculations by State Finance will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,
James R. Klauser
Secretary

Referred to Joint committee on Finance.

STATE OF WISCONSIN
ETHICS BOARD

November 26, 1991

To the Honorable the Senate:

At the direction of § 13.685(7), Wisconsin Statutes, I am furnishing you with the names of organizations recently registered with the Ethics Board as employing one or more individuals to affect state legislation or administrative rules. For each organization I have noted the general area of legislative or administrative action which the organization has described as the object of its lobbying activity and the name of each licensed lobbyist that the organization has authorized to act on its behalf.

Occupational Therapy Association, Wisconsin

Subjects: Any matter affecting the practice of occupational therapy in Wisconsin.

Anderson, Norman

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by the organizations that employ lobbyists.

Sincerely,
R. Roth Judd
Executive Director

STATE OF WISCONSIN
ETHICS BOARD

November 26, 1991

To the Honorable the Senate:

At the direction of § 13.685(7), Wisconsin Statutes, I am furnishing you with the following changes in the Ethics

Board's records of licensed lobbyists and their employers.

Organization's authorization of additional lobbyists: The following organizations previously registered with the Ethic's Board as employers of lobbyists have authorized to act on their behalf these additional licensed lobbyists:

Auto Collision Technican Association Wisconsin

McNulty, Barry

Automobile & Truck Dealers Assoc. Inc., WI

Badeau, Jennifer

Convention and Visitor Bureaus, WI Association of

Brozek, Michael

Varda, Anthony

Organization's termination of lobbyists: Each of the following organizations previously registered with the Ethics Board as the employer of a lobbyist has withdrawn, on the date indicated, its authorization for the lobbyist identified to act on the organization's behalf.

Convention and Visitor Bureaus, WI Association of

Fitch, Charles 11/25/91

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by the organizations that employ lobbyists.

Sincerely,
R. Roth Judd
Executive Director

EXECUTIVE COMMUNICATIONS

State of Wisconsin
Office of the Governor

November 20, 1991

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint JAMES R. MEIER of Portage, as a member of the Labor and Industry Review Commission pursuant to the statute governing, to serve for the interim term ending March 1, 1995.

Respectfully,
Tommy Thompson
Governor

Read and referred to committee on Tourism, Commerce, Labor, Veterans' and Military Affairs.

State of Wisconsin
Office of the Governor

November 15, 1991

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint MICHAEL P.

COLLINS of Lake Geneva, as a member of the Board of Vocational, Technical and Adult Education pursuant to the statute governing, to serve for the term ending May 1, 1993.

Respectfully,
Tommy Thompson
Governor

Read and referred to committee on Higher Education.

SENATE CLEARINGHOUSE ORDERS

Senate Clearinghouse Rule 91-69

Relating to relief of needy Indian persons.

Submitted by Department of Health and Social Services.

Report received from agency, November 27, 1991.

Referred to committee on Agriculture, Corrections, Health and Human Services, December 4, 1991.

Senate Clearinghouse Rule 91-160

Relating to the vapor recovery grant program.

Submitted by Department of Industry, Labor and Human Relations.

Report received from agency, December 3, 1991.

Referred to committee on Urban Affairs, Environmental Resources and Elections, December 4, 1991.

The committee on Urban Affairs, Environmental Resources and Elections reports and recommends:

Senate Clearinghouse Rule 91-5

Relating to updating changes to chapter NR 170 and the NR 400 series to improve the accuracy, clarity, structure and internal consistency of the rules and remove obsolete provisions.

No action taken.

Senate Clearinghouse Rule 91-38

Relating to the certification requirements for waterworks and wastewater treatment plan and septage servicing operators.

No action taken.

Brian Burke
Chair

The committee on Higher Education reports and recommends:

Senate Clearinghouse Rule 91-122

Relating to sick leave eligibility for faculty, academic staff and limited appointees of the University of Wisconsin system.

No action taken.

Calvin Potter
Chair

JOURNAL OF THE SENATE [December 4, 1991]

State of Wisconsin
Revisor of Statutes Bureau
December 1, 1991

To the Honorable the Legislature:

The following rules have been published and are effective:

Clearinghouse Rule 90-152 effective December 1, 1991.

Clearinghouse Rule 90-175 effective December 1, 1991.

Clearinghouse Rule 90-189 effective December 1, 1991.

Clearinghouse Rule 91-025 effective December 1, 1991.

Clearinghouse Rule 91-026 effective December 1, 1991.

Clearinghouse Rule 91-041 effective December 1, 1991.

Clearinghouse Rule 91-046 effective December 1, 1991.

Clearinghouse Rule 91-054 effective December 1, 1991.

Clearinghouse Rule 91-067 effective December 1, 1991.

Clearinghouse Rule 91-077 effective December 1, 1991.

Clearinghouse Rule 91-086 effective December 1, 1991.

Clearinghouse Rule 91-087 effective December 1, 1991.

Clearinghouse Rule 91-089 effective December 1, 1991.

Clearinghouse Rule 91-090 effective December 1, 1991.

Clearinghouse Rule 91-094 effective December 1, 1991.

Omitted from prior reports:

Clearinghouse Rule 87-059 effective January 1, 1988.

Clearinghouse Rule 87-098 effective January 1, 1988.

Clearinghouse Rule 87-179 effective December 1, 1988.

Sincerely,
GARY L. POULSON
Deputy Revisor