

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance
(JC-Fi)

Sample:

- Record of Comm. Proceedings
- 97hrAC-EdR_RCP_pt01a
- 97hrAC-EdR_RCP_pt01b
- 97hrAC-EdR_RCP_pt02

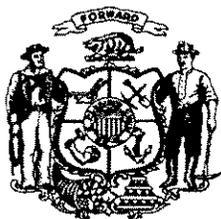
- Appointments ... Appt
-
- Clearinghouse Rules ... CRule
-
- Committee Hearings ... CH
-
- Committee Reports ... CR
-
- Executive Sessions ... ES
-
- Hearing Records ... HR
-
- Miscellaneous ... Misc
- 97hr_JC-Fi_Misc_June 1998_pt11
- Record of Comm. Proceedings ... RCP
-

June 1998 1310 requests

THE STATE OF WISCONSIN

SENATE CHAIR
TIMOTHY WEEDEN

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P.O. Box 7882
Madison, WI 53707-7882
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ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
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JOINT COMMITTEE ON FINANCE

JUN 19 1998

JUN 19 1998

Minutes of the Regular 3rd Quarter Meeting Under s.13.10

June 4, 1998

Co-chair Weeden presided and called the meeting to order at 10:00 a.m.

Present: Senators Weeden, Farrow, Cowles, Panzer, Schultz, Rosenzweig, Burke, Decker
Representatives Gard, Ourada, Harsdorf, Albers, Porter, Kaufert, Linton, Coggs

I. Department of Health and Family Services

Moved by Representative Gard and seconded by Senator Weeden to direct the Department of Health and Family Services to reallocate 2.0 current vacant positions in the Bureau of Milwaukee Child Welfare to assist in the development and implementation of the initial phases of the Wisconsin Automated Child Welfare Information System.

Ayes, 10; Noes, 6 [Panzer, Schultz, Rosenzweig, Burke, Linton, Coggs]

II. Department of Health and Family Services

Moved by Senator Rosenzweig and seconded by Senator Weeden to direct the Department of Health and Family Services to report by June 12, 1998, to the Committee on all administrative and outreach activities not identified in the April 15 s.13.10 request that would be supported with federal funding authorized by PL 104-193, the federal welfare reform legislation. In addition, require DHFS to develop and include in this report a plan for the evaluation of the effectiveness of the proposed MA outreach activities to be funded within the Department's existing appropriation authority (State or Federal). Further, defer action on the Department's April 15 s.13.10 request until the next meeting of the Committee under s.13.10 at which time the request and the June 12 report will be considered for approval by the Committee.

Ayes, 16; Noes, 0

III. Department of Health and Family Services

Moved by Representative Gard and seconded by Senator Weeden to fund development of the automated system for background checks by: (1) transferring \$120,300 GPR in 1997-98 and \$154,100 GPR in 1998-99 from the reserved portion of Committee's supplemental appropriation to DHFS's general program operations appropriation for the Division of Children and Family Services and Supportive Living (s.20.435(6)(a)); (2) transferring \$52,100 FED in 1997-98 and \$83,600 FED in 1998-99 from the Department of Workforce Development's child care and TANF aids appropriation (s.20.445(3)(md)) to the appropriation for administration (s.20.445(3)(mc)) to allow use of child care and TANF funds for paying for 25% of the costs of the automated system; (3) increasing DHFS's interagency appropriation (s.20.435(6)(kx)) by \$52,100 FED in 1997-98 and \$83,600 FED in 1998-99 to allow DHFS's utilization of these transferred child care and TANF funds; and (4) specifying that \$37,000 (\$21,700 GPR in the appropriation under s. 20.435(6)(a) and \$15,300 FED in the appropriation under s. 20.435(6)(kx)) in 1998-99 be placed in unallotted reserve until DHFS can specify in detail and justify the exact equipment required.

Ayes, 16; Noes, 0

IV. Department of Natural Resources

Moved by Senator Schultz and seconded by Representative Linton to increase expenditure authority for parks and southern forest general program operations by \$1,000,000 SEG in 1998-99 for a general increase in limited-term employe (LTE) wages averaging \$2.00 per hour and for an increase in LTE work effort.

Ayes, 14; Noes, 2 [Gard, Porter]

[Secretary's Note: Of the total supplement provided, \$750,000 SEG is from the park's account of the conservation fund and \$250,000 SEG is from the forestry account of the conservation fund.]

V. Department of Revenue

Moved by Representative Gard and seconded by Senator Weeden to approve the Department of Revenue's plan for the development of an integrated tax system and the release, from the reserved portion of the Committee's appropriation, of \$45,000 GPR in 1997-98 to the appropriation under s.20.566(1)(a) and of ongoing funding of \$1,415,600 GPR in 1998-99 to the appropriation under s.20.566(3)(b) to begin development of the system.

Ayes, 16; Noes, 0

VI. Department of Administration

Moved by Representative Gard and seconded by Senator Weeden to approve the acceptance by the Department of Administration (DOA) of a grant of \$16,750,000 PR from the Wisconsin Public Service Corporation for a pilot program to administer certain energy efficiency programs in the utility's service delivery area with the following conditions:

1. Final Joint Committee on Finance approval of the acceptance of the grant is subject to: (a) the receipt by the Committee of a letter from the Public Service Commission indicating that the final contract and the DOA plan for the pilot are in accordance with the Commission's final order regarding the Wisconsin Public Service Corporation's 1998-99 demand side management transition plan; (b) receipt and approval by the Committee of the final contract, memorandum of understanding and the DOA pilot plan under a 14-day passive review process; and (c) the understanding that DOA shall submit a preliminary evaluation of pilot activities to the Committee no later than August 1, 1999, and shall submit a final evaluation of pilot activities to the Committee by March 1, 2000 (or 90 days following the ending date of the contract if the ending of the contract is extended beyond December 31, 1999).
2. Further, specify that following final Committee approval of the grant acceptance, DOA may request up to 2.0 PR project positions, under a 14-day passive review process, to administer the grant but any such position request must be accompanied by a report indicating the results of an evaluation by DOA and the Public Service Commission of the ability of existing staff to perform the required grant administration functions and why DOA cannot administer the grant using existing staff resources available within the two agencies.
3. Finally, it is the Committee's intent that Committee approval of the acceptance of the grant from the Wisconsin Public Service Corporation by DOA does not represent legislative endorsement of any future executive branch decisions or recommendations regarding any future plans or legislative proposals dealing with utility deregulation or the alternative delivery of public benefits programs.

Ayes, 12; Noes, 4 [Burke, Decker, Linton, Coggs]

VII. Department of Veterans Affairs

Moved by Senator Weeden and seconded by Representative Gard to provide a supplement of \$200,000 SEG in 1998-99 from the veterans trust fund to begin the operation of a veterans assistance program (VAP) at Southern Wisconsin Center (SWC). Further, provide that the Department of Veterans Affairs may submit to the Committee during the 1998-99 fiscal year under a 14-day passive review process a request for additional funding authorization for the program with the requirements that: (1) such request must include an indication of if and when federal per diem payments for the VAP at SWC may begin to be received; and (2) a copy of written confirmation from the U.S. Department of Veterans Affairs of whether or not the existing state funding levels for the VAP at Southern Wisconsin Center may be adjusted once any federal per diem payments for that program begin to be received. In addition, provide that the 1998-99

level of funding for the VAP at SWC shall not be considered base-building but rather that the Department should address the question of the 1999-2001 funding level for the VAP at SWC as part of its 1999-2001 biennial budget request.

Ayes, 16; Noes, 0

VIII. Department of Employee Trust Funds

Moved by Representative Gard and seconded by Senator Weeden to approve the Department's request for a supplement of \$359,800 SEG in 1997-98 from the Committee's s.20.865(4)(u) appropriation to ETF's s.20.515(1)(w) general administrative appropriation to fund extraordinary, unbudgeted costs associated with the implementation of a court-ordered SIPD settlement.

Ayes, 16; Noes, 0

IX. Joint Survey Committee on Retirement Systems

Moved by Representative Gard and seconded by Senator Weeden to provide a supplement in 1997-98 of \$18,500 GPR [\$14,200 for salary and fringe benefits shortfall and \$4,300 for supplies and services shortfall] and a supplement in 1998-99 of \$45,100 GPR [\$41,500 for salary and fringe benefit costs and \$3,600 for a laptop computer] for the Office of the Joint Survey Committee on Retirement Systems and the Retirement Research Committee.

Ayes, 15; Noes, 1 [Farrow]

[Secretary's Note: The appropriation supplemented is s. 20.765(2)(a)]

Moved by Representative Kaufert and seconded by Representative Gard to provide a supplement of \$33,000 GPR in 1997-98 to the Office's biennial appropriation for actuarial studies. In addition, direct that the Retirement Research Committee study the feasibility and cost implications of reopening the variable retirement investment trust fund to Wisconsin Retirement System participants and specify that the study shall include an assessment of the impact of the reopening of the variable fund on employer-required contribution rates. Further, provide that the Retirement Research Committee may use up to \$5,000 GPR of the supplemental actuarial studies funding provided for the purpose of obtaining an actuarial review of such a change.

Ayes, 15; Noes, 1 [Cowles]

[Secretary's Note: The appropriation supplemented is s. 20.765(2)(ab).]

X. Wisconsin Sesquicentennial Commission

Moved by Representative Gard and seconded by Senator Weeden to approve the transfer of \$384,167 GPR of supplemental funds from the Committee's appropriation under s.20.865(4)(c) to the Commission's appropriation under s.20.525(1)(k).

Ayes, 16; Noes, 0

X. University of Wisconsin System

Moved by Representative Gard and seconded by Senator Weeden to transfer \$462,400 GPR in the s. 20.285(1)(cm) appropriation from fiscal year 1997-98 to fiscal year 1998-99. Provide that this transfer does not alter the one-time nature of the funding, which would not be included in the agency's base budget for the 1999-2001 biennium.

Ayes, 16; Noes, 0

The following reports were received by the Committee:

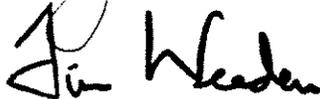
R-1 Department of Administration's Position Report Required Under s.16.50 (October – December 31, 1997).

R-2 Department of Workforce Development on the KIDS Information Data System Audit.



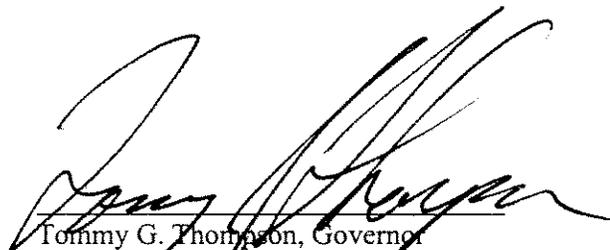
Daniel Caucutt, Secretary

Date: June 16, 1998



Tim Weeden, Co-Chair

Date: 6-17-98



Tommy G. Thompson, Governor

Date: 6/18/98

SUMMARY
JOINT COMMITTEE ON FINANCE
GPR APPROPRIATION STATUS
(Incorporating Committee Actions thru June 4, 1998)

	1997-98	1998-99	1997-99 Biennium
Current Biennial Appropriation Amount [s. 20.865(4)(a)]	\$43,838,579	\$58,132,600	\$101,971,179
<u>Reserved For:</u>			
DOA -- Budget system redesign consultant's study	\$60,000	\$0	\$60,000
DOC -- Probation and parole absconder unit	702,700	1,025,600	1,728,300
DOC -- St. John's Correctional Center expansion	0	991,800	991,800
ETF -- SIPD supplemental annuity pymts	2,650,400	3,547,100	6,197,500
DOR -- Integrated computer system	1,257,100	203,500	1,460,600
DHFS -- Prevention grants	744,800	1,489,700	2,234,500
DHFS -- Adoption assistance	241,500	0	241,500
DHFS -- Medical assistance administration	468,300	0	468,300
DHFS -- Women's health initiative	2,200,000	1,300,000	3,500,000
DWD -- KIDS system	5,570,300	11,055,900	16,626,200
DWD -- Centralized receipt and disbursement for child support	0	117,100	117,100
DPI -- School for the Visually Handicapped maintenance funds	17,200	17,200	34,400
DPI -- School for the Deaf maintenance funds	74,000	74,000	148,000
ELECTIONS BD -- Electronic filing enhancement	102,800	0	102,800
DOA - Compensation reserves supplement	1,326,000	674,000	2,000,000
DOC -- Additional contract beds	4,900,000	10,100,000	15,000,000
DHFS -- Criminal background checks	0	1,500,000	1,500,000
DHFS -- Criminal background checks	0	420,000	420,000
DHFS -- BadgerCare	0	16,600,000	16,600,000
UW -- BadgerNet	1,470,000	1,470,000	2,940,000
UW -- Technology infrastructure and faculty technology	1,060,800	3,307,200	4,368,000
Public Land Sales Reserve (see attached summary sheet)	280,379	0	280,379
DOC -- Pay plan supplements reserves	0	1,729,600	1,729,600
DOC -- Food service costs	117,300	645,700	763,000
SPD -- Pay plan supplements reserves	242,800	524,400	767,200
SPD -- Restoration of budget reductions	0	987,600	987,600
DOA -- Compensation reserves supplement	20,000,000	0	20,000,000
Sub-total Reserved Balance	\$43,486,379	\$57,780,400	\$101,266,779
<u>Releases from Reserved Balance</u>			
DHFS -- Women's health initiative (12/18/97)	\$1,500,000	\$1,400,000	\$2,900,000
DWD -- KIDS System (12/18/97)	5,231,800	0	5,231,800
Elections Board -- Electronic filing enhancement (12/18/97)	102,800	0	102,800
DOC -- Probation and parole absconder unit (12/18/97)	446,900	1,025,600	1,472,500
DPI -- School for Visually Handicapped maintenance funds (12/18/97)	17,200	0	17,200
DPI -- School for the Deaf maintenance funds (12/18/97)	74,000	0	74,000
UW -- Technology infrastructure and faculty technology (12/18/97)	1,060,800	3,307,200	4,368,000
UW -- BadgerNet (12/18/97)	1,470,000	1,470,000	2,940,000
DOR -- Integrated computer system (6/4/98)	45,000	1,415,600	1,460,600
DHFS -- Criminal background checks (6/4/98)	120,300	154,100	274,400
Total Releases	\$10,068,800	\$8,772,500	\$18,841,300
Remaining Reserved Balance	\$33,417,579	\$49,007,900	\$82,425,479
Net Unreserved Balance Available	\$352,200	\$352,200	\$704,400
<u>Releases from Unreserved Balance</u>			
Elections Board -- Electronic filing enhancement (12/18/97)	\$12,000	\$0	\$12,000
DATCP -- Food inspection program efficiency study (12/18/97)	50,000	50,000	100,000
HEAB -- Program assistant position (12/18/97)	19,700	33,100	52,800
RRC -- Salary shortfall and actuarial studies (6/4/98)	51,500	45,100	96,600
Total Releases	\$133,200	\$128,200	\$261,400
Net Unreserved Balance Remaining	\$219,000	\$224,000	\$443,000
TOTAL AVAILABLE (Net Reserved & Unreserved Balance Remaining)	\$33,636,579	\$49,231,900	\$82,868,479

SUMMARY
JOINT COMMITTEE ON FINANCE
PR APPROPRIATION STATUS
(Incorporating Committee Actions thru June 4, 1998)

	1997-98	1998-99	1997-99 Biennium
Current Biennial Appropriation Amount [s. 20.865(4)(g)]	\$0	\$160,300	\$160,300
<u>Reserved For:</u>			
OCI -- Information technology imaging project	\$0	\$160,300	\$160,300
Sub-total Reserved Balance	\$0	\$160,300	\$160,300
<u>Releases from Reserved Balance</u>			
	\$0	\$0	\$0
Total Releases	\$0	\$0	\$0
Remaining Reserved Balance	\$0	\$160,300	\$160,300

SUMMARY
JOINT COMMITTEE ON FINANCE
FED APPROPRIATION STATUS
(Incorporating Committee Actions thru June 4, 1998)

	1997-98	1998-99	1997-99 Biennium
Current Biennial Appropriation Amount [s. 20.865(4)(m)]	\$15,000,000	\$2,000,000	\$17,000,000
<u>Reserved For:</u>			
DHFS/DWD -- Temporary aid to needy families	\$14,000,000	\$0	\$14,000,000
DWD -- W-2 transportation assistance	1,000,000	2,000,000	\$3,000,000
	-----	-----	-----
Sub-total Reserved Balance	\$15,000,000	\$2,000,000	\$17,000,000
<u>Releases from Reserved Balance</u>			
DHFS/DWD - Temporary aid to needy families (12/18/97)	\$4,136,500	\$9,863,500	\$14,000,000
DWD -- W-2 Transportation assistance (12/18/97)	1,000,000	2,000,000	\$3,000,000
	-----	-----	-----
Total Releases	\$5,136,500	\$11,863,500	\$17,000,000
Remaining Reserved Balance	\$9,863,500	(\$9,863,500)	\$0

SUMMARY
JOINT COMMITTEE ON FINANCE
SEG APPROPRIATION STATUS
(Incorporating Committee Actions thru June 4, 1998)

	1997-98	1998-99	1997-99 Biennium
Current Biennial Appropriation Amount [s. 20.865(4)(u)]	\$1,208,000	\$1,384,400	\$2,592,400
<u>Reserved For:</u>			
ETF -- Retirement rollover project	\$0	\$180,000	\$180,000
ETF -- Health data appropriation	0	140,400	\$140,400
DVA -- Veterans assistance program	200,000	200,000	\$400,000
UW -- BadgerNet	1,008,000	864,000	\$1,872,000
	-----	-----	-----
Sub-total Reserved Balance	\$1,208,000	\$1,384,400	\$2,592,400
<u>Releases from Reserved Balance</u>			
UW - BadgerNet (12/18/97)	\$1,008,000	\$864,000	\$1,872,000
DVA -- Veterans assistance program (6/4/98)r	0	200,000	200,000
	-----	-----	-----
Total Releases	\$1,008,000	\$1,064,000	\$2,072,000
Remaining Reserved Balance	\$200,000	\$320,400	\$520,400

SUMMARY

DETAIL OF JOINT FINANCE COMMITTEE APPROPRIATED LEVELS

	1997-98	1998-99	1997-99 Biennium
865(4)(a) Appropriation Total Summary - GPR			
Act 27 (Biennial Budget)	\$24,598,100	\$54,245,300	\$78,843,400
Proceeds from Sale of Public Land (Mendota State Hospital -- July, 1997)	280,379	0	280,379
Transfer per Act 27, Section 9256(3x)	20,000,000	0	20,000,000
Act 237 (Budget Adjustment Bill)	(1,039,900)	3,887,300	2,847,400
Current Total	\$43,838,579	\$58,132,600	\$101,971,179
865(4)(g) Appropriation Total Summary - PR			
Act 27 (Biennial Budget)	\$0	\$160,300	\$160,300
865(4)(m) Appropriation Total Summary - FED			
Act 27 (Biennial Budget)	\$15,000,000	\$2,000,000	\$17,000,000
865(4)(u) Appropriation Total Summary - SEG			
Act 27 (Biennial Budget)	\$1,208,000	\$1,384,400	\$2,592,400

THE STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

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ASSEMBLY CHAIR
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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Tim Weeden
Representative John Gard
Co-Chairs, Joint Committee on Finance

Re: 14 Day Passive Review Approval

Date: June 8, 1998

Attached is a copy of a request from the Department of Military Affairs dated June 5, 1998, which extends contractual agreements for hazardous materials regional response team services with the cities of Superior and Wausau. It requires a 14-day passive review and approval by the Joint Committee on Finance, pursuant to s. 166.215(5), Stats.

Please review the material and notify **Senator Weeden** or **Representative Gard** no later than **June 24, 1998**, if you have any concerns about the request or if you would like the Committee to meet formally to discuss it.

Also, please contact us if you need further information.

Attachment

TW:JG:lj



STATE OF WISCONSIN

Department of Military Affairs
Division of Emergency Management

To: Honorable Senator Timothy L. Weeden
Honorable Representative John Gard
Co-Chairs
Joint Committee on Finance

JUN 05 1998

From: Major General James G. Blaney
The Adjutant General
Department of Military Affairs

RE: Notification and request pursuant to s. 166.215(5), Stats.
HAZARDOUS MATERIALS REGIONAL RESPONSE TEAM CONTRACTS
EXTENSION OF CONTRACTUAL AGREEMENTS

Notification and Request:

The Department of Military Affairs, Division of Emergency Management hereby notifies the Committee of its intent to extend, for two fiscal years, the contractual agreements for hazardous materials regional response team services with the cities of Superior and Wausau. The anticipated contractual provisions of the two-year extensions involve state fiscal commitments in excess of amounts currently appropriated under 20.465(3)(dd), Stats. The proposed contracts, with all relevant exhibits, are attached hereto for your reference.

Background:

1991 Wisconsin Act 104 created the requirement for the establishment of hazardous materials regional response teams to assist in emergency response to level A releases throughout the State of Wisconsin. The State Emergency Response Board (SERB) was required by statute to contract with no fewer than seven and no more than nine regional teams throughout the state to provide this coverage. To date, the SERB has established contracts with eight regional response teams (Superior, Appleton/Brown County, Madison, Milwaukee, Racine, Wausau, Eau Claire/Chippewa Falls and Oshkosh/Manitowoc/Sheboygan). Effective July 1, 1998, all duties of the SERB, including contractual obligations, will be transferred to the Wisconsin Division of Emergency Management (Division).

The contracts with the eight regional response teams have staggered terms due to the varying dates when each contract was signed. The two contracts for the regional response teams located in Superior and Wausau will expire on June 30, 1998. It is the intent of the Division to extend both contracts for two fiscal years, until June 30, 2000. It should also be noted that three additional contracts will expire on June 30, 1999 (Appleton/Brown County, Milwaukee and Oshkosh/Manitowoc/Sheboygan). The Division intends to extend all response team contracts to expire on June 30, 2000. Prior to that date, the entire hazardous materials response team program will be reviewed to provide for further efficiencies and economies of scale.

The regional response teams contracts provide for the continuing emergency preparedness of the response teams to ensure the safety of the public and environment of the State of Wisconsin. The types of costs generally provided under the contract include: 1) specialized hazardous materials training expenses; 2) medical surveillance of response team members; 3) hazardous materials response vehicles; 4) and other emergency response supplies and equipment necessary to enhance emergency response and preparedness.

Initially, the funding source for the regional response teams was paid out of a continuing appropriation to a sum certain appropriation set at \$1,400,000 SEG out of the transportation fund. However, under 1997 Wisconsin Act 27, this appropriation was converted to \$1,400,000 GPR funding per fiscal year.

Due to the terms and payment obligations contained in the existing contracts, there is not sufficient money in the GPR appropriation to cover ongoing team costs necessary to extend the contracts with the Cities of Superior and Wausau. Accordingly, this request is for moneys in excess of the appropriation for fiscal year 1998-99. At this time, there are sufficient moneys available to pay for these contract extensions for fiscal year 1999-2000.

As previously mentioned, there are three additional regional response team contracts that will expire on June 30, 1999. The impending negotiations and subsequent extension of these contracts will impact the balance of the GPR appropriation for fiscal year 1999-2000 and it is anticipated that a request will be made to the Committee for additional moneys in excess of the appropriation.

Request for Additional Funding:

With Committee approval of the two extended regional response team contracts, the total commitment of funds out of GPR would be as follows:

Negotiated Annual Payments

<u>Team</u>	<u>1998-99</u>	<u>1999-00</u>
Appleton/Brown County	100,000	xx
Eau Claire/Chippewa Falls	221,675	250,000
Madison	300,000	300,000
Milwaukee	300,000	xx
Oshkosh/Manitowoc/Sheboygan	150,000	xx
Racine	275,000	185,000
Superior	200,000*	178,000*
Wausau	127,473*	130,301*
Total:	\$1,674,148	\$1,043,301
Less funding available:	\$1,400,000	\$1,400,000
Additional funding requested:	\$274,148	\$0

xx = Contract expires

* = Extended contract amount

Relationship to Statutory Criteria:

This notification and request fulfills the requirement of 1997 Wisconsin Act 27, as codified in s. 166.215(5) Stats., which mandates that the Board/Division shall notify the Joint Committee on Finance, in writing, prior to extending a contractual agreement. The law also provides that the Board/Division may include a request for approval of any increase in the amount of money in the appropriation necessary to provide sufficient money for the extended contract(s).

Prepared by:

Randi Wind Milsap
Legal Counsel
Dept. of Military Affairs
(608) 242-3072

June 5 1998

STATE OF WISCONSIN

SENATE CHAIR
TIMOTHY WEEDEN

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ASSEMBLY CHAIR
JOHN GARD

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JOINT COMMITTEE ON FINANCE

June 15, 1998

Ms. Jane Hojan-Clark
Acting Executive Secretary
Higher Educational Aids Board
131 West Wilson Street, Suite 902
Madison, WI 53703

Dear Ms. Hojan-Clark:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, dated May 26, 1998, for approval of the proposed 1998-99 administrative memorandum for the Minnesota-Wisconsin higher education tuition reciprocity agreement. The Committee approves the administrative memorandum, contingent upon the deletion from the memorandum of the statement that "Any part of the memorandum may be modified upon mutual agreement of the administering agencies." This statement is inconsistent with the current law requirement that the administrative memorandum be approved by the Committee prior to its implementation.

Unless you notify us by June 19 that you wish the Committee to schedule a meeting to consider the administrative memorandum as originally proposed, we will consider the memorandum as approved provided that the above modification is made.

Sincerely,

Handwritten signature of Tim Weeden in black ink.

Tim Weeden
Senate Chair

Handwritten signature of John Gard in black ink.

John Gard
Assembly Chair

cc: Members, Joint Committee on Finance

THE STATE OF WISCONSIN

SENATE CHAIR
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JOINT COMMITTEE ON FINANCE

MEMORANDUM

TO: Members
Joint Committee on Finance

FROM: Senator Tim Weeden
Representative John Gard
Co-Chairs, Joint Committee on Finance

DATE: May 28, 1998

RE: 14-day Passive Review Request by HEAB

Attached is a copy of a request from the Higher Educational Aids Board, dated May 26, 1998, pertaining to an approval request for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program, under s. 39.47(2g) of the State Statutes.

Please review this item and notify **Senator Tim Weeden** or **Representative John Gard** no later than **Friday, June 12, 1998**, if you have any concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

TW/JG:dr



Tommy G. Thompson
Governor

State of Wisconsin Higher Educational Aids Board

131 West Wilson Street, Madison, Wisconsin
Post Office Box 7885
Madison, WI 53707-7885
Phone: (608) 267-2206
Fax: (608) 267-2808
E-Mail: HEAB@mail.state.wi.us



Jane M. Hojan-Clark
Acting Executive Secretary

May 26, 1998

MAY 28 1998

Due 6/15/98

The Honorable Senator Timothy L. Weeden, Co-Chair
The Honorable Representative John Gard, Co-Chair
Joint Committee on Finance
State Capitol
Madison, WI 53702

RE: Administrative Memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program

Dear Senator Weeden, Representative Gard and Members:

I have attached the Administrative Memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program. Under S. 39.47 (2g) it is required that this memorandum be submitted to the Joint Committee on Finance for its approval.

The memorandum essentially outlines administrative procedures for the program. It includes the application process, the procedure for computing interstate reimbursement, and tuition rate related information. Much of this memorandum reflects what was discussed and agreed upon at the August 26, 1997, Joint Committee on Finance Special Meeting.

Sincerely,

Jane Hojan-Clark

Jane Hojan-Clark
Acting Executive Secretary
Higher Educational Aids Board

BC: Merry Larsen, Legislative Fiscal Bureau Fiscal Analyst
Julie Kane, Office of the Governor Policy Advisor
Michael Otjen, Office of the Governor Policy Assistant
Peter Maternowski, Department of Administration Budget Analyst
Steve Milioto, Department of Administration Budget Analyst
Nate Peters, University of Wisconsin System Administration Assistant Vice President

**ADMINISTRATIVE MEMORANDUM FOR THE
MINNESOTA-WISCONSIN INTERSTATE TUITION
RECIPROCIITY PROGRAM**

TO: All Interested and Concerned Parties

FROM: Robert Poch , Director
Minnesota Higher Education Services Office
and
Jane Hojan-Clark, Acting Executive Secretary
State of Wisconsin Higher Educational Aids Board

SUBJECT: Administrative Memorandum for the Minnesota-Wisconsin Interstate Higher
Education Agreement, 1998-99 Academic Year

DATE: July 1998

INTRODUCTION

In order to implement the statutory authority and the formal interstate agreement negotiated between the two states, this administrative agreement has been prepared to specify administrative procedures of the program.

DURATION OF THE AGREEMENT AND PROCEDURES FOR MODIFICATION

This memorandum is subject to the principles and conditions of the Minnesota-Wisconsin Public Higher Education Reciprocity Agreement and is to be effective July 1, 1998. The memorandum is subject to annual review by both administrative agencies. Any part of the memorandum may be modified upon mutual agreement of the administering agencies. ←

ADMINISTRATIVE PROCEDURES

To insure procedural regularity and compatibility, the two administering agencies have agreed to follow the procedures outlined in this memorandum:

1. **Public Information**

After formal adoption of the agreement, each agency executive will direct a detailed written communication regarding the administration of the program to the institutions of post-secondary education, all secondary schools, and other interested individuals, and organizations in his state. Prior to the start of each academic year, the two administering agencies will cooperatively develop and implement training workshops for personnel from

participating institutions of higher education if such workshops are deemed necessary by both agencies.

2. **Application Form**

A common application and procedure will be used in both states. All students from each state will complete the same application and submit it to the respective administering agency in their home states. Both new and continuing students will use the same application. The application will require general and institutional information. Each administering agency will print a supply of applications on paper of a mutually agreed upon color for distribution to institutions of post-secondary education in its home state, and secondary schools in its home state. Either state may adopt a paperless application process, in lieu of or in addition to, the paper application. The student needs to complete one application. This application will provide reciprocity for the student in continuous attendance. Should the student not attend an institution for 365 days, the student must reapply for reciprocity. Should a change in the student's residence occur, the student and/or the institutions must notify the appropriate administering agency in writing of the change.

3. **Residency**

The administering agency in the student's home state will make a determination of residency based on the information provided by the student during the application process. The agency reserves the right to refuse eligibility if the information provided by the student does not substantiate the claim of residency.

4. **Approval and Certification Year**

Once eligibility is determined, it shall continue through the academic year for which certification has been granted. Should a student's residency status for fee assessment purposes change during the academic year, the originating state's responsibility to the student under the agreement will cease with the beginning of the first term following establishment of residency in the other state. The certification year begins with the Fall of each academic year and ends with the last Summer session or workshop which begins before the first day of the Fall term of the succeeding academic year. The student that is in attendance and has earned credits during the 1998-99 academic year, will automatically have reciprocity benefits renewed for the 1999-2000 academic year unless notification has been received by the administering agency of a change in residency.

5. **Application Deadline**

Applications must be postmarked or electronically submitted no later than the last day of scheduled classes of the first term or semester for which the student expects to receive benefits under the agreement. Eligibility shall continue for the remainder of the academic/certification year. The administering agencies will cooperate in a mutual exchange of academic calendar information.

6. **Coordinative Procedures**

Periodically throughout the certification year, the administering agencies will exchange alphabetical listings of all residents of their respective states who are participating in the reciprocity program. The administering agencies will also provide alphabetical listings of their state's residents eligible for participation in the agreement to the designated institutions of post-secondary education in the other state. Nothing shall prohibit agencies from exchanging data in electronic format.

7. **Institutional Monitoring**

Each administering agency will be responsible for monitoring institutions in its home state for compliance with the provisions and spirit of the agreement.

PROCEDURE FOR COMPUTATION OF INTERSTATE REIMBURSEMENT

1. **Definition of Terms.** Terminology used in the computation of the net state interstate reimbursement is described in the Agreement.
2. **Student Categories.** In determining the net state interstate reimbursement obligation, the following categories of student enrollment institutions and associated instructional costs will be used:

A. Undergraduate Students

1. Undergraduate students enrolled at the University of Wisconsin-Madison, the Minnesota-Twin Cities and the University of Minnesota-Morris.
2. Undergraduate students enrolled at the University of Wisconsin-Milwaukee and the University of Minnesota-Duluth.

3. Undergraduate students enrolled at the University of Wisconsin Comprehensive institutions and the Minnesota State Universities and the University of Minnesota-Crookston.
4. Undergraduate students enrolled at the University of Wisconsin System Colleges and the Minnesota Community Colleges.
5. Undergraduate students enrolled at consolidated Minnesota Community and Technical Colleges.

B. Graduate Students

1. Graduate students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.
2. Graduate students enrolled at the University of Wisconsin-Milwaukee and the University of Minnesota-Duluth.
3. Graduate students enrolled at the University of Wisconsin Comprehensive institutions and the Minnesota State Universities.

C. Professional Students

1. Law school students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.
2. Pharm D students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.

The total costs and the reciprocity cost differentials for each of the categories of students and institutions listed in this section will be determined after each state's operating budget for public higher education systems has been finalized. These cost differentials will be based on actual costs per student for the 1998-99 academic year.

3. **Reciprocity Tuition.** Institutions covered under this agreement will charge the following reciprocity tuition rates to students who are determined eligible to receive tuition reciprocity benefits during the 1998-99 academic year.

a. Undergraduate Students

UW-MADISON (per semester term/per semester credit)

Minnesota residents attending UW-Madison will be charged the UM-Twin Cities undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit

rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

UM-TWIN CITIES (per quarter term/per quarter credit)

Wisconsin residents attending UM-Twin Cities will be charged the UW-Madison undergraduate resident tuition rate plus 25% of the difference between the UW-Madison undergraduate resident tuition rate and the UM-Twin Cities undergraduate resident rate during the 1998-99 academic year. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

UM-MORRIS (per quarter term/per quarter credit)

Wisconsin residents attending UM-Morris will be charged the UW-Madison undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits will be charged the term rate plus the per credit rate for each credit over 18.

UW-MILWAUKEE (per semester term/per semester credit)

Minnesota residents attending UW-Milwaukee will be charged the UM-Duluth undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

UM-DULUTH (per quarter term/per quarter credit)

Wisconsin residents attending UM-Duluth will be charged the UW-Milwaukee undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

WISCONSIN UNIVERSITY COMPREHENSIVE (per semester term/per semester credit)

Minnesota residents attending Wisconsin Comprehensives will be charged a weighted average of the undergraduate resident tuition rates for MN State Universities and UM-Crookston. Students taking 12-18 credits per term will be charged the per term rate.

Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

MINNESOTA STATE UNIVERSITIES/UM-CROOKSTON (per quarter/per credit)

Wisconsin residents attending Minnesota State Universities and UM-Crookston will be charged the Wisconsin Comprehensive undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

UNIVERSITY OF WISCONSIN SYSTEM COLLEGES (per semester term/per semester credit)

Minnesota residents attending University of Wisconsin System Colleges will be charged the Minnesota Community College undergraduate resident tuition. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

MINNESOTA COMMUNITY COLLEGES (per quarter term/per credit)

Wisconsin residents enrolled at Minnesota Community Colleges will be charged the University of Wisconsin System College undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

MINNESOTA CONSOLIDATED COLLEGES (per quarter term/per credit)

Wisconsin residents enrolled at Minnesota Consolidated Colleges will be charged the University of Wisconsin System College undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

WISCONSIN TECHNICAL COLLEGES

Minnesota residents attending Wisconsin Technical Colleges will be charged the Wisconsin Technical College undergraduate resident tuition rate.

MINNESOTA TECHNICAL COLLEGES

Wisconsin residents attending Minnesota Technical Colleges will be charged the Minnesota Technical College undergraduate resident tuition rate.

b. Graduate Students

UW-MADISON

Graduate Rate (per semester term/per semester credit) Minnesota residents attending UW-Madison will be charged the higher of the UM-Twin Cities or UW-Madison graduate resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

Business Masters Rate (per semester term/per semester credit) Minnesota residents attending UW-Madison Business Masters program will be charged the higher of the UM-Twin Cities or UW-Madison Business Masters resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

UM-TWIN CITIES

Graduate Rate (per quarter term/per quarter credit) Wisconsin residents attending UM-Twin Cities will be charged the higher of the UW-Madison graduate resident tuition rate or the UM-Twin Cities graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities Graduate School. (Currently, students taking 7 - 14 credits are charged the term rate, students taking 1- 6 credits are charged the per credit rate and students taking more than 14 credits are charged the term rate plus the per credit rate for each additional credit over 14 credits. This is subject to any changes taking place for the 1998-99 academic year.)

Business Masters Rate (per quarter term/per quarter credit) Wisconsin residents attending UM-Twin Cities will be charged the higher of the UW-Madison Business Masters resident tuition rate or the UM-Twin Cities Business Masters resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities Business Masters Program. (Currently, students taking 12 - 19 credits are charged the term rate, students taking 1- 11 credits are charged the per credit rate and students taking more than 19 credits are charged the

term rate plus the per credit rate for each additional credit over 19 credits. This is subject to any changes taking place for the 1998-99 academic year.) Those students enrolled prior to the first semester of the 1989-90 academic year will be charged the higher of the UW-Madison graduate resident tuition rate or the UM- Twin Cities graduate resident tuition rate.

UW-MILWAUKEE

Graduate Rate (per semester term/per semester credit) Minnesota residents attending UW-Milwaukee will be charged the higher of the UW-Milwaukee graduate resident tuition rate or the UM-Duluth graduate resident tuition rate. Students taking 8+ credits per term will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

Business Masters (per semester term/per semester credit) Minnesota residents attending UW-Milwaukee will be charged the higher of the UW-Milwaukee Business Masters resident tuition rate or the UM-Duluth Business Masters resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged by the per credit rate.

UM-DULUTH

Graduate Rate (per quarter term/per quarter credit) Wisconsin residents attending UM-Duluth will be charged the higher of the UM-Duluth graduate resident tuition rate or the UW-Milwaukee graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Duluth Graduate School. (Currently, students taking 7 - 14 credits are charged the term rate, students taking 1- 6 credits are charged the per credit rate and students taking more than 14 credits are charged the term rate plus the per credit rate for each additional credit over 14 credits. This is subject to any changes taking place for the 1998-99 academic year.)

Business Masters (per quarter term/per quarter credit) Wisconsin residents attending UM-Duluth will be charged the higher of the UM-Duluth Business Masters resident tuition rate or the UW-Milwaukee Business Masters resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Duluth Business Masters Program. (Currently, students taking 12 - 19 credits are charged the term rate, students taking 1- 11 credits are charged the per credit rate and students taking more than 19 credits are charged the term rate plus the per credit rate for each additional credit over 19 credits. This is subject to any changes taking place for the 1998-99 academic year.) Those enrolled prior to the first semester of the 1989-90

academic year will be charged the higher of the UW-Milwaukee graduate resident tuition rate or the UM-Duluth graduate resident tuition rate.

WISCONSIN UNIVERSITY COMPREHENSIVE

Graduate Rate (per semester term/per semester credit) Minnesota residents attending Wisconsin University Comprehensives will be charged the higher of the Wisconsin University Comprehensive graduate resident tuition rate or the Minnesota State University graduate resident tuition rate. Students taking 9+ credits will be charged the per term rate. Students taking 1-8 credits will be charged by the per credit rate.

Business Masters (per semester term/per semester credit) Minnesota residents attending Wisconsin University Comprehensive Business Masters will be charged the higher of the Wisconsin University Comprehensive Business Masters resident tuition rate or the Minnesota State University Business Masters resident tuition rate. Students taking 9+ credits will be charged the per term rate. Students taking 1-8 credits will be charged by the per credit rate.

MINNESOTA STATE UNIVERSITIES

Graduate Rate (per quarter or semester credit) Wisconsin residents attending Minnesota State Universities will be charged the higher of the Minnesota State Universities graduate resident tuition rate or the Wisconsin University Comprehensive graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the Minnesota State Universities graduate programs.

Business Masters (per quarter or semester credit) Wisconsin residents attending Minnesota State Universities Business Masters will be charged the higher of the Minnesota State Universities Business Masters resident tuition rate or the Wisconsin University Comprehensive Business Masters resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the Minnesota State Universities Business Masters program. Those students enrolled prior to the first semester of the 1989-90 academic year will be charged the higher of the Minnesota State Universities graduate resident tuition rate or the Wisconsin University Comprehensive graduate resident tuition rate.

a. Professional Students

UW-MADISON

Law (per semester term/per semester credit) Minnesota residents enrolled at UW-Madison Law school will be charged the higher of the UW-Madison Law school resident

tuition rate or the UM-Twin Cities Law school resident tuition rate. Students taking 12+ credits will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate.

Pharm.D. (per semester term/per semester credit) Minnesota residents enrolled at UW-Madison Pharm.D. will be charged the higher of the UW-Madison Pharm.D. resident tuition rate or the UM-Twin Cities Pharm.D. resident tuition rate. Students taking 12+ credits will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate.

UM-TWIN CITIES

Law (per term/per semester or quarter credit) Wisconsin residents who enrolled at the UM-Twin Cities Law school after the 1995-96 academic year will be charged the higher of the UM-Twin Cities Law School resident tuition rate or the UW-Madison Law school resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities Law School. (Currently, students taking 12 or more credits are charged the term rate and students taking 1- 11 credits are charged the per credit rate. This is subject to any changes taking place for the 1998-99 academic year.) Wisconsin residents who enrolled at the UM-Twin Cities Law School before or during the 1995-96 academic year will be charged the UW-Madison Law school resident tuition rate.

Pharm.D. (per term/per semester or quarter credit) Wisconsin residents attending UM-Twin Cities Pharm.D. will be charged the higher of the UM-Twin Cities Pharm.D. resident tuition rate or the UW-Madison Pharm.D. resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities College of Pharmacy. (Currently, students taking 14 or more credits are charged the term rate and students taking 1- 13 credits are charged the per credit rate. This is subject to any changes taking place for the 1998-99 academic year.)

Eligible students enrolled in professional academic programs not available in their home state will be charged the resident tuition of the school attended.

4. **Institutional Procedures.** After each academic term/semester, each administering agency will provide three copies of the cooperatively designed final certification (enrollment status) list to the other state's participating public institutions. The list will include the names of all students who have been certified as eligible for participation in the reciprocity agreement during that term/semester. Using these lists, each institution will enter the number of credits carried by category (undergraduate or graduate) and the amount of the reciprocity tuition

paid by each student certified. The institutions will cross out the names of these certified students who did not enroll or withdrew at any time during the period of that term/semester for which the student is eligible for a tuition/fee refund. The institutions will certify by signature for correctness of this data and will send two copies of this completed certification list to the administering agency in their home states. Nothing shall prohibit participating schools and agencies from exchanging data in electronic format.

5. **Agency Procedures**

- a. Each administering agency will be responsible for the timely return of the completed certification lists from the institutions in its home state. The administering agency will forward one copy of each institution's completed certification list to the administering agency in the other state.
- b. The data provided by the institutions for each term on the certification lists will be balanced for each institution and any adjustments adequately documented for subsequent auditing.
- c. Once the data for each term or semester have been balanced, a copy of the results will be supplied to the agency in the other state, along with a report of the number of undergraduate and graduate students for whom nonresident tuition has been waived under the agreement. Each state will certify to the other state the number of students, the number of credits carried and the total amount of reciprocity tuition paid by each student at each institution. Student and credit hour totals for each institution will be grouped by category and the school and category totals will be grouped by each agency. This information will be used by each state to facilitate the computation of the net interstate reimbursement obligation and to monitor institutional reporting. The deadline for such reconciliation for each term shall be 90 days from the conclusion of that term. Subsequent changes to institutional certifications shall be only with consent of both agencies.
- d. The net state reimbursement obligation will be calculated and paid in a manner described in the Agreement.

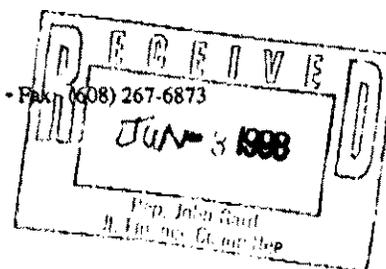
6. Common Data Format and Coordinated Planning

To insure compatibility of information pertaining to the program, both agencies will adopt a common data format and share data maintenance and reporting responsibilities.

To improve the information about the program for purposes of research, planning and evaluation, both agencies agree to collect and maintain any mutually agreed upon data.


Legislative Fiscal Bureau

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Post-It* Fax Note	7671	Date	6/15	# of pages	3
To	Diana	From	Diane		
Co./Dept.		Co.			
Phone #	7-5171	Phone #			
Fax #		Fax #			

June 3, 1998

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Approval of the Proposed Administrative Memorandum for the Minnesota-Wisconsin Higher Education Reciprocity Agreement

The Joint Committee on Finance (JFC) recently received a copy of the proposed 1998-99 administrative memorandum for the Minnesota-Wisconsin higher education tuition reciprocity agreement from the Higher Educational Aids Board (HEAB). Under s. 39.47(2g) of the statutes, HEAB is required to annually submit the administrative memorandum to the JFC for its approval under a 14-day passive review process. The proposed memorandum was submitted on May 26, 1998. Therefore, if the Committee does not schedule a meeting to review the memorandum by June 15, 1998, HEAB may implement the policies, procedures and reciprocity tuition structure as proposed.

Under the Minnesota-Wisconsin higher education agreement, residents can attend public universities and community colleges in the adjacent state without having to pay nonresident tuition. The agreement is negotiated and administered jointly by the Minnesota Higher Educational Services Office (MHESO) and HEAB.

The current Minnesota-Wisconsin tuition reciprocity agreement will expire on June 30, 1998. At the August 26, 1997 meeting of the Joint Committee on Finance under s. 13.10 of the statutes, the Committee approved, with some modifications, HEAB's request for the renewal of the agreement. The new agreement and the related statutory modifications first apply to students enrolled under the agreement in the 1998-99 academic year. Legislation that was required to implement a number of the changes to the agreement that were approved by the Committee was subsequently enacted in 1997 Act 200. A provision in Act 200 requires HEAB and MHESO to prepare, prior to each academic year, an administrative memorandum that establishes policies and procedures for implementation of the agreement for the upcoming academic year. Prior to

implementation of these policies and procedures, the administrative memorandum must be approved by the Joint Committee on Finance under a 14-day passive review process. While the annual administrative memorandum has been used in the past by the two administering agencies to assist in the administration of the program, preparation and approval of the memorandum was not required by law.

The primary purpose of the administrative memorandum is to set forth the procedures to be followed by HEAB and MHESO in administering the reciprocity agreement. As such, the memorandum describes the reciprocity application form and process and specifies procedures to be followed in determining a student's residency and eligibility. The memorandum also specifies how the reciprocity payment between the states is to be calculated.

In addition, Act 200 required that the memorandum include a description of how the reciprocal fee structure is to be determined for the upcoming academic year. Under the agreement, students are charged a "reciprocal fee" which, prior to the 1998-99 academic year, was approximately equal to the average tuition a student would have paid at a comparable public institution in the student's state of residence. However, Act 200 changed the statutory definition of reciprocal fee to an amount not to "exceed the higher of the resident tuition that would be charged the student at the public institution of higher education in which the student is enrolled or the resident tuition that would be charged the student at a comparable public institution of higher education located in his or her state of residence, as specified in the annual administrative memorandum."

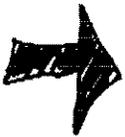
While the statutes would allow the administering agencies to set the reciprocal fee at any amount up to the higher of the two state's resident tuition rates beginning in the 1998-99 academic year, for the most part, the proposed administrative memorandum would maintain reciprocal fees at the amount a student would have paid at a comparable institution in his or her home state. Therefore, Wisconsin residents attending UM-Duluth in 1998-99 would pay the tuition amount charged at UW-Milwaukee and those attending the Minnesota State Universities and UM-Crookston would pay the tuition amount charged at the UW System comprehensive institutions. Similarly, Wisconsin residents attending community colleges in Minnesota would pay the tuition amount charged at the UW System Colleges.

Under the proposed administrative memorandum, the reciprocal fee structure for the 1998-99 academic year would change from the current structure for Wisconsin residents attending UM-Twin Cities as undergraduates and for graduate students from either state. Wisconsin undergraduates enrolled at UM-Twin Cities would pay an amount equal to the UW-Madison tuition rate plus a "tuition gap surcharge" equal to 25% of the difference between the resident tuition rates at the two campuses. Graduate students from both states would pay the higher of the two states' resident graduate tuition rate. Both of these reciprocity tuition changes were proposed by negotiating teams from the two states in the summer of 1997. The modifications were approved by

the Joint Committee on Finance at its August 26, 1997, meeting under s. 13.10 of the statutes as part of its approval of the renewal of the agreement.

In addition, the proposed memorandum specifies that Wisconsin residents attending UM-Morris as undergraduates would be charged the UW-Madison resident tuition rate. Under the current agreement, these students pay the tuition rate charged at the UW System comprehensive campuses. This change was proposed because it is felt that UM-Morris' academic programs are more closely aligned with those of UM-Twin Cities than with Minnesota's other four-year institutions. In addition, resident tuition at UM-Morris is higher than at other Minnesota universities.

The proposed administrative memorandum meets the requirements of s. 39.47(2g) of the statutes. However, the memorandum specifies that "any part of the memorandum may be modified upon mutual agreement of the administering agencies." While this statement was included in the administrative memoranda for prior years, it conflicts with the new statutory language which stipulates that HEAB may not implement the administrative memorandum until it is approved by the Joint Committee on Finance. Therefore, the Committee may wish to approve the proposed administrative memorandum contingent upon the deletion of this sentence.



BL/dls



Legislative Fiscal Bureau

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June 16, 1998

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Military Affairs: 14-Day Passive Review Notification and Request for Supplemental Funds for the Extension of Two Regional Emergency Response Teams Contracts

INTRODUCTION

On June 5, 1998, the Department of Military Affairs, Division of Emergency Management (Division) submitted a 14-day passive review request under s. 166.215(5) of the statutes, to the Joint Committee on Finance. Section 166.215(5), as created under 1997 Wisconsin Act 27, requires the State Emergency Response Board (SERB) or the Division to notify the Committee, under a 14-day passive review process, of any funding commitments it is entering into before it agrees to any renewed, new or extended contracts with hazardous materials regional response teams. In addition, the statute provides that as part of the notification, SERB or the Division may request additional funding for any such contracts, if necessary.

The Division's 14-day passive review submission includes: (1) a notification of its intent to extend Superior's and Wausau's hazardous materials regional response teams (level A teams) contracts for an additional two fiscal years (through 1999-2000); and (2) a request for a supplementation of \$274,100 GPR in 1998-99 from the Committee's s. 20.865(4)(a) appropriation to fund the additional costs of extending these two contracts.

This memorandum provides general background information to members of the Committee as they consider the Division's request. This request will be approved on June 25, 1998, unless there is an objection to the proposal and it is scheduled for a meeting under s. 13.10 of the statutes.

BACKGROUND

Provisions of 1991 Wisconsin Act 104 created requirements for the establishment of no fewer than seven and no more than nine level A teams to respond to level A hazardous releases in the state. Level A hazardous releases are generally defined as the release of a hazardous substance that necessitates the highest level of protective equipment for the skin and respiratory system of emergency response personnel. To date, the SERB has established contracts with eight regional response teams (Superior, Appleton/Green Bay, Madison, Milwaukee, Racine, Wausau, Eau Claire/Chippewa Falls and Oshkosh/Manitowoc/Sheboygan). Under 1997 Wisconsin Act 27, effective July 1, 1998, the SERB is repealed and its duties, including contracting with regional response teams, will be transferred to the Division.

The terms of the eight contracts differ due to varying commencement and expiration dates. The contracts with Superior and Wausau will be the first to expire on June 30, 1998. The Division intends to extend the level A team contracts with Superior and Wausau for two fiscal years, until June 30, 2000. The current negotiated annual GPR payments for each contract are as follows: (1) \$200,000 in 1998-99 and \$178,000 in 1999-2000 for Superior; and (2) \$127,473 in 1998-99 and \$130,301 in 1999-2000 for Wausau. Under the regional emergency response team appropriation [s. 20.465(3)(dd)], \$1.4 million GPR annually is appropriated to fund all level A team contracts.

The following table shows the eight response teams, the term and expiration date of each contract and the contracted funding for three fiscal years.

	Contract				
	<u>Term/Years</u>	<u>Exp. Date</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>
Superior	5	6/30/98	\$150,000	\$200,000 **	\$178,000 **
Oshkosh/Manitowoc/Sheboygan	5	6/30/99	150,000	150,000	***
Appleton/Green Bay	5	6/30/99	170,000	100,000	***
Madison	5	6/30/00	225,000	300,000	300,000
Milwaukee	4.5	6/30/99	300,000	300,000	***
Racine	5	6/30/00	200,000	275,000	185,000
Wausau	4	6/30/98	23,810 *	127,473 **	130,301 **
Eau Claire/Chippewa Falls	5	6/30/00	<u>181,190</u>	<u>221,675</u>	<u>250,000</u>
Total			\$1,400,000	\$1,674,148	\$1,043,301

*Total funding was \$160,155 for 1997-98 of which \$136,345 was carried forward from previous years.

**Pending JFC approval.

***Contracts expire.

For 1997-98 (and all previous years for which the program has operated) funding has remained within the current appropriation level. If the Committee were to approve the negotiated contracts for 1998-99, the current appropriation of \$1.4 million would need to be increased by

\$247,148. The Department asks that this amount be funded from the Committee's supplemental appropriation.

ISSUES

There are two primary issues which the agency's request presents. The first concerns the level of funding and the second concerns the length of the contracts.

Funding. The additional funding requested by the Division would come from the unreserved balance of the Committee's GPR appropriation. To date, there is \$443,000 GPR remaining in the unreserved balance of this biennial appropriation. If the Division's request for additional funding of \$274,100 GPR is approved the remaining unreserved balance of the Committee's GPR appropriation would be \$168,900 for the biennium. However, given the number of s. 13.10 submissions for Committee's June 23, 1998, meeting and the number that will undoubtedly be submitted in 1998-99, it is quite likely that there will not be sufficient funding to grant the Division's request and all others from that portion of the Committee's appropriation.

Contract Length. As shown in the table, the contracts end at various times. The agency seeks approval of a two-year contract with Wausau and Superior (to June 30, 2000) and has indicated its intent to structure all contracts to expire on June 30, 2000. From a legislative budgetary standpoint, there would be an advantage to ultimately having all of the contracts expire at the end of the state's fiscal biennium rather than at the end of the even-numbered year.

Unless an objection is raised, the agency's request for approval of the Superior and Wausau contracts, funded by \$274,100 GPR from the Committee's appropriation will be approved on July 25.

TC/lah



The University of Wisconsin System

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June 15, 1998

JUN 16 1998

TO: Senator Timothy Weeden, Co-Chair
Representative John Gard, Co-Chair
Joint Committee on Finance

FROM: Katharine C. Lyall *Katharine Lyall*
President

RE: Tuition and Fee Remissions for Children of Correctional Officer, Fire
Fighter, or Law Enforcement Officer Killed in the Line of Duty

1995 Wisconsin Act 228 required the Board of Regents to remit tuition and fees to a child of a correctional officer, fire fighter, or law enforcement officer killed in the line of duty. The bill also provided \$15,000 GPR annually to pay for this new program. Section 36.27 (3m)(d), Wis. Stats., states *If the appropriation under s.20.285 (1)(bm) in any fiscal year is insufficient to fully fund the fee remissions under par. (b), the board shall notify the joint committee on finance.*

For the 1997-98 fiscal year, the UW System will provide \$22,836 in remissions for these students resulting in a foregone tuition and fee revenue shortfall of \$7,836. The UW System has not denied eligible students tuition and fee remissions because of a lack of state funding.

Please note that 1997 Wisconsin Act 163 expanded this program to include the surviving spouse of a correctional officer, fire fighter, or law enforcement officer killed in the line of duty without appropriating additional funds. These statutory changes will likely increase future costs and require a supplement in 1998-99. Additional funding for this program will be requested as a cost-to-continue adjustment in the 1999-01 UW System biennial budget.

Please contact me if you have any questions.

cc: Secretary Mark Bugher
Director Robert Lang
Vice Presidents
Dan Caucutt, Department of Administration
Bob Hanle, Department of Administration
Merry Larsen, Legislative Fiscal Bureau

*FYI
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