



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

A

May 9, 2001

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Budget Issue Papers

Attached are 2001-03 budget issue papers, prepared by this office, on the following agencies:

- Public Service Commission -- Agencywide
- Agriculture, Trade and Consumer Protection -- Departmentwide and Resource Management
- Department of Natural Resources -- Fish, Wildlife and Recreation
- Shared Revenue and Tax Relief -- Property Taxation
- Shared Revenue and Tax Relief -- Local Revenue Options

These agencies have been scheduled for executive action by the Joint Committee on Finance on Tuesday, May 15. The meeting will begin at 11:00 a.m. in Room 411 South, State Capitol.

BL/sas
Attachments

2001-03 BUDGET PAPERS

May 15, 2001

Paper #

Public Service Commission -- Agencywide

- 780 Electronic Filing of Documents
- 781 Stray Voltage Research Funding

Agriculture, Trade and Consumer Protection -- Departmentwide and Resource Management

- 205 Information Technology
- 206 Federal Grant Levels
- 207 Convert Program Revenue Appropriations to Continuing

Natural Resources -- Fish, Wildlife and Recreation

- 645 GPR-Supported Conservation Wardens
- 646 Fisheries Management Staffing
- 647 Wildlife Management Staffing
- 648 Managing Wildlife Diseases
- 649 Venison Processing Donation Program
- 650 Automated License Issuance System
- 651 Forestry and Law Enforcement Radio Equipment
- 652 Car-Killed Deer
- 653 Fuel Tax Transfer Reestimates
- 654 Snowmobile Registration Fees and Trail Aids
- 655 State Snowmobile Education and Enforcement
- 656 Dredging to Improve Great Lakes Recreational Access

Shared Revenue and Tax Relief -- Property Taxation

Shared Revenue and Tax Relief -- Local Revenue Options

2001-03 BUDGET PAPERS

Cumulative List Thru May 15, 2001

Paper #

Administration -- Information Technology

Adolescent Pregnancy Prevention and Pregnancy Services Board

Agriculture, Trade and Consumer Protection -- Departmentwide and Resource Management

- 205 Information Technology
- 206 Federal Grant Levels
- 207 Convert Program Revenue Appropriations to Continuing

Board of Commissioner of Public Lands

- 230 Reimbursements for Certain Administrative Expenses

Child Abuse and Neglect Prevention Board

- 270 Primary Prevention Staff
- 271 "Celebrate Children" License Plate Revenue and Segregated Revenue Reestimate
- 272 Miscellaneous Budget Adjustments

Circuit Courts

- 275 Court Interpreters
- 276 Minor Policy and Technical Changes -- GPR-Earned Reestimates
- 277 Minor Policy and Technical Changes -- Chapter 20 Schedule

Paper #

Commerce -- Departmentwide and Economic Development

- 280 Forest Product Marketing
- 281 International Liaison Funding
- 282 Administrative Position Reallocation
- 283 Economic Development Administration Consolidation
- 284 Community-Based Economic Development Program Conversion to New Economy for Wisconsin Program
- 285 Rural and Minority Business Economic Development Programs -- Repayments Appropriations

Commerce -- Building and Environmental Regulation

- 300 Transfer Mobile Home Park Water and Sewer Service Regulation from the Public Service Commission to Commerce
- 301 Aviation Fuel Petroleum Inspection Fee Allowance
- 302 PECFA -- Revenue Obligation Authority
- 303 PECFA Staff
- 304 PECFA -- High-Cost Sites
- 305 PECFA -- Interest Cost Reimbursement
- 306 PECFA -- Farm Tank Eligibility
- 307 Groundwater Monitoring Near Onsite Wastewater Treatment Systems
- 308 Transfer Code Consultant Section to Administrative Services Division
- 309 Fire Dues Distribution

Court of Appeals

- 375 Staff Attorneys
- 376 Minor Policy and Technical Changes -- GPR-Earned Reestimates

Electronic Government

- 400 Creation of the Department of Electronic Government

Paper #

Employee Trust Funds

- 410 Benefits Payment System Redesign
- 411 Participant Services Staffing Increases
- 412 Customer Call Center Enhancements
- 413 Technical Change -- Retired Employees Benefit Supplement Reestimate
- 414 Group Insurance Board Authority to Modify or Expand State Employee Group Health Insurance Coverage
- 415 Additional Resources for Act 11 Implementation Costs
- 416 Group Health Insurance Ombudsperson Position
- 417 Funding for Accumulated Sick Leave Conversion Credits for Certain Retired State Employees

Employment Relations

- 420 Advance Labor Management Training Costs
- 421 Funding of Shared Human Resources System

Employment Relations Commission

- 425 Arbitration Award Affecting City of Milwaukee Police Officers
- 426 Staff Support for Collective Bargaining Training Activities

Environmental Improvement Fund

- 430 Clean Water Fund General Obligation and Revenue Bonding Authority, Present Value Subsidy Limit and Priority List Allocation
- 431 Environmental Improvement Fund Debt Service
- 432 Wisconsin Fund Residual Bonding Authority
- 433 Clean Water Fund - Unsewered Communities

Financial Institutions

- 440 Technology Initiatives
- 441 Business Association Fees

Governor

- 455 Children's Cabinet Board
- 456 Rural Policy Advisor Position

Paper #

Insurance

- 540 Standard Budget Adjustments
- 541 Information Technology -- Programming Services
- 542 Medigap Helpline
- 543 Treatment of Certain Revenues
- 544 Authority to Set Fees by Rule

Investment Board

Judicial Commission

Lieutenant Governor

Marquette Dental School

Military Affairs -- Emergency Management

- 610 Reimbursement of Certain County and Municipal Worker's Compensation and Liability Costs Due to Emergency Management Activities
- 611 Emergency Response Equipment Funding

Miscellaneous Appropriations

- 620 Repeal of Capitol Offices Relocation Appropriation
- 621 Buildout Costs for Senate, Retirement Committees and Law Library
- 622 Space Rental Costs for Law Library

Paper #

Natural Resources -- Fish, Wildlife and Recreation

- 645 GPR-Supported Conservation Wardens
- 646 Fisheries Management Staffing
- 647 Wildlife Management Staffing
- 648 Managing Wildlife Diseases
- 649 Venison Processing Donation Program
- 650 Automated License Issuance System
- 651 Forestry and Law Enforcement Radio Equipment
- 652 Car-Killed Deer
- 653 Fuel Tax Transfer Reestimates
- 654 Snowmobile Registration Fees and Trail Aids
- 655 State Snowmobile Education and Enforcement
- 656 Dredging to Improve Great Lakes Recreational Access

Personnel Commission

Public Service Commission -- Agencywide

- 780 Electronic Filing of Documents
- 781 Stray Voltage Research Funding

Regulation and Licensing

- 790 Information Technology Initiatives
- 791 Examination Fee Vendor Payment Reestimate
- 792 Revised Agency Credential Fees
- 793 GPR-Earned Credited from Criminal Background Check Fees
- 794 Technical Change -- GPR-Earned Reestimate

Revenue -- Tax Administration

- 800 Administration of Local Exposition Tax
- 801 Business Tax Registration Administration and Debt Collection Funding
- 802 Status of Integrated Tax System Implementation

Revenue -- Lottery Administration

- 810 Lottery Sales, Retailer Compensation, Vendor Fees Reestimates and Lottery and Gaming Tax Credit Reestimate
- 811 Repeal GPR Appropriations for Lottery Operations

Paper #

Secretary of State
820 GPR-Earned Reestimate

Shared Revenue and Tax Relief -- Direct Aid Payments
825 Shared Revenue Modifications and Expenditure Restraint Funding Level

Shared Revenue and Tax Relief -- Property Taxation

Shared Revenue and Tax Relief -- Local Revenue Options

Supreme Court
860 Court Commissioner Judicial Education

Technology for Educational Achievement in Wisconsin Board
870 Public Library Financial Assistance for Communications Hardware
871 E-rate Funding
872 Eligibility for Secured Correctional Facilities
873 Eligibility for Charter Schools
874 Ameritech Settlement

Tobacco Control Board
880 Grant Funding
881 Staff

Tobacco Settlement Securitization
885 Discussion of Tobacco Settlement Securitization

Tourism
890 Kickapoo Valley Reserve Law Enforcement Funding
891 Expand Heritage Tourism Grant Program
892 DNR Tourism Support

Paper #

Transportation -- Motor Vehicles

- 930 Computer Database Redesign
- 931 Automated Oversize/Overweight Permit Issuance System
- 932 Special License Plate Issuance Fees

Transportation -- State Patrol

- 935 DNR Payments for DOT Radio Services

Transportation -- Other Divisions

- 940 Safe-Ride Grant Program
- 941 Funding for Payments for Municipal Services

University of Wisconsin Hospital and Clinics Authority

- 945 Bonding Authority

University of Wisconsin Hospital and Clinics Board

Veterans Affairs -- Homes and Facilities for Veterans

- 995 Standard Budget Adjustments - Night and Weekend Differential
- 996 Supplies and Services
- 997 Staffing at the Veterans Home at King

Wisconsin Housing and Economic Development Authority

- 1005 Wisconsin Development Reserve Fund

Agriculture, Trade and Consumer Protection

Department and Resource Management

Base Agency

(LFB Budget Summary Document: Page 91)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
5	Information Technology (Paper #205)
18	Federal Grant Levels (Paper #206)
23	Convert Program Revenue Appropriations to Continuing (Paper #207)

AGENCY: DATCP

PAPER: #205

ISSUE: Information Technology

RECOMMENDATION: Alternatives A(2) & B(2)

SUMMARY: Make FB-suggested change to part A and they don't need this to be a biennial appropriation (part B).

BY: Barry

A-2, A-3, B-2

62nd A-2, A-3
B-2



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 15, 2001

Joint Committee on Finance

Paper #205

Information Technology (DATCP -- Departmentwide and Resource Management)

[LFB 2001-03 Budget Summary: Page 92, #5]

CURRENT LAW

DATCP maintains an annual PR appropriation for the Department's computer system equipment, staff and services. Revenues are derived from chargebacks to various agency appropriations for information technology expenditures. Base funding in the appropriation is \$1,537,200 annually, which includes 9.23 staff positions.

GOVERNOR

Provide \$665,600 PR in 2001-02 and \$671,600 PR in 2002-03 to reflect chargebacks to various agency appropriations for IT expenditures for supplies and permanent property, and change the IT appropriation from annual to biennial.

DISCUSSION POINTS

1. Additional expenditure authority is provided to match DATCP estimates of biennial funding needs. The majority of funding is requested for converting the Department's computers to Windows 2000 and normal hardware replacement costs. Additional expenditure authority is planned for network hardware purchases, applications development and maintenance contracts and telecommunications costs. Due to replacement schedules, the Department was provided \$500,000 less in 2000-01 than was provided in 1999-00 (\$2,004,400 in 1999-00 and \$1,504,400 in 2000-01). Thus, DATCP officials believe base expenditure authority for their IT costs is inadequate. Under the Governor's recommendation, DATCP IT expenditure authority would rise to \$2,289,600 in 2001-02 and \$2,295,600 in 2002-03 or a biennial increase of over 30% (\$1,076,400).

2. Revenues are derived from chargebacks to various agency appropriations for services received. It is anticipated that these appropriations have adequate funds available to meet IT chargeback costs.

3. The Department estimates that it has 540 employees that use computers on a regular basis, including approximately 110 employees that work in the field. The Department maintains approximately 460 desktop and 120 laptops from its IT appropriation. In addition, some divisions purchase laptops from other appropriations. There are more than 40 computers currently maintained by the Department that are not assigned to knowledge workers. These are used to run specialized software, are used by limited term employees and other employees, or are laptops that are reserved for travel purposes and not used on a daily basis.

4. The Governor's recommendation is based on purchasing 160 laptops over the biennium. The Department's replacement goal for laptops is every two years. Since DATCP has 120 laptops currently, the Committee may wish to provide funding for replacement of 120 laptops over the biennium rather than 160 laptops, which would provide savings of \$58,000 annually. Further, while the Department maintains three high-end printers, funding in 2001-03 is based on purchasing three such printers annually. The Department estimates the average life of these machines at four years. Thus it could be argued that, on average, budgeting for less than one high-end printer purchase per year could be sufficient. Providing funding for two high-end printers rather than six in the biennium would provide savings of \$8,500 annually. In addition, funding under the bill is based on purchasing 480 desktop licenses for network conversion, while the Department has 460 desktop computers. Providing desktop licenses for 460 computers rather than 480 would save \$1,900 over the biennium. If the Committee chose to provide funding based on these estimates, the Department still would receive a biennial increase of nearly 27% (\$941,500).

5. Network conversion costs related to desktop licenses (\$44,000), network and server upgrades (\$250,000) and other conversion costs (\$83,000) could be considered one-time, especially since it is unlikely that a complete upgrade would be needed in the next biennium. However, it is likely that additional conversions will be needed in future biennia. Thus, funding could be left in the Department's base. On the other hand, when future conversions are needed, the Department could request additional funding for the conversions. Providing \$378,000 in 2001-02 rather than \$189,000 annually for these purposes would remove this expenditure authority from the base level of funding for the 2003-05 biennium.

6. The Governor recommends the appropriation be converted to biennial to permit DATCP an additional degree of flexibility in scheduling IT expenditures. A biennial appropriation would allow DATCP to make purchases based on replacement schedules, rather than the annual budgeted amount. However, an annual appropriation allows for greater legislative review and makes it easier to anticipate, control and track program expenditures. A biennial appropriation allows a Department to transfer expenditure authority between fiscal years in the same biennium with Department of Administration approval. However, the Legislature retains authority in setting biennial expenditure authority and thereby limiting expenditures to the amounts appropriated in the biennium, subject to modification after legislative review.

ALTERNATIVES TO BASE

A. IT Funding

1. Approve the Governor's recommendation to provide \$665,600 in 2001-02 and \$671,600 in 2002-03 to reflect chargebacks to various agency appropriations for IT expenditures.

<u>Alternative A1</u>	<u>PR</u>
2001-03 FUNDING (Change to Base)	\$1,337,200
[Change to Bill]	\$0

2. Provide \$598,100 in 2001-02 and \$604,100 in 2002-03 to reflect chargebacks to various agency appropriations for IT expenditures as reestimated for desktop licenses, laptops and high-end printers. (Delete \$67,500 annually.)

<u>Alternative A2</u>	<u>PR</u>
2001-03 FUNDING (Change to Base)	\$1,202,200
[Change to Bill]	-\$135,000

3. In addition to Alternatives A1 or A2, provide \$189,000 in 2001-02 and delete \$189,000 in 2002-03 to remove one-time network conversion costs from the appropriation's base for the 2003-05 biennium.

B. Appropriation Structure

1. Approve the Governor's recommendation to change the IT appropriation from annual to biennial.

2. Maintain current law (an annual appropriation).

MO# A-2, A-3

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	X	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

hug

MO# B-1

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 15, 2001

Joint Committee on Finance

Paper #206

Federal Grant Levels Reestimate (DATCP -- Departmentwide and Resource Management)

[LFB 2001-03 Budget Summary: Page 97, #18]

CURRENT LAW

DATCP maintains several continuing appropriations to receive and expend federal funding. These appropriations are estimated to reflect the amount of federal funding received.

GOVERNOR

Provide increased spending authority of \$704,400 FED and \$240,000 PR annually to reflect expected federal grant levels in the biennium. The increased spending authority is meant to reflect expected federal grant levels in the biennium and includes annual FED of \$268,300 for food inspections and trade regulations, \$36,100 for marketing agricultural services and \$400,000 for plant industry services provided by the Department. In addition, the requested increase in spending authority of \$240,000 PR annually is based on expected federal Environmental Protection Agency funding received through a Wisconsin Department of Natural Resources contract with DATCP.

MODIFICATION

1. Reestimate overall federal funding by deleting \$220,500 annually from the bill (an increase of \$483,900 FED annually over the base).

<u>Modification</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	\$967,800	\$480,000	\$1,447,800
[Change to Bill]	- \$441,000	\$0	- 441,000]

Explanation: While the bill reestimates accounts where federal funding is expected to be higher, it does not reduce accounts where federal funding has been, and is expected to be, lower in the biennium. DATCP estimates federal funding needed and received directly from the Environmental Protection Agency for pesticide related activities (mainly salaries and associated costs of 6.5 positions) at \$715,000 each year. However, under the bill, the account is estimated at \$935,500, or a difference of \$220,500 annually.

Prepared by: David Schug

MO#	<u>mod</u>			
BURKE	Y	N	A	
DECKER	Y	N	A	
MOORE	Y	N	A	
SHIBILSKI	Y	N	A	
PLACHE	Y	N	A	
WIRCH	Y	N	A	
DARLING	Y	N	A	
WELCH	Y	N	A	
GARD	Y	N	A	
KAUFERT	Y	N	A	
ALBERS	Y	N	A	
DUFF	Y	N	A	
WARD	Y	N	A	
HUEBSCH	Y	N	A	
HUBER	Y	N	A	
COGGS	Y	N	A	

AYE 16 NO 0 ABS _____

AGENCY: DATCP

PAPER: #207

ISSUE: Convert PR Appropriations to Continuing

RECOMMENDATION: Alternatives A(3) & B(1)(b)

SUMMARY: Seems better to keep these accounts as annual and watch them closely, and FB makes a case for reduced spending authority for central admin in paragraph 4.

*A-B² B(1)(b) Card
A-2*

BY: Barry



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 15, 2001

Joint Committee on Finance

Paper #207

Convert Program Revenue Appropriations to Continuing (DATCP -- Departmentwide and Resource Management)

[LFB 2001-03 Budget Summary: Page 98, #23]

CURRENT LAW

The Department currently is authorized to collect various fees to cover the costs of services provided. The fees are deposited into individual annual appropriations and used for specified purposes.

GOVERNOR

Change the following PR appropriations (with annual appropriation amounts totaling \$559,700) from annual to continuing: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

DISCUSSION POINTS

A. Appropriation Type

1. An agency may not expend beyond the amount listed in a statutory Chapter 20 annual appropriation without legislative approval. Expenditures beyond the appropriated level may only be made through the passage of legislation or under the passive review provisions of s. 16.505/515 of the statutes. This process allows an agency to request the Secretary of the Department

of Administration (DOA) to submit a proposal to the Joint Committee on Finance to supplement a program revenue appropriation where the Secretary determines expenditure authority is insufficient. The proposal is considered approved, unless the Committee schedules a meeting to consider the request within 14 working days after the submittal. An agency may expend any funds available in a continuing appropriation subject only to the review of DOA.

2. As an example of why DATCP would prefer to change these PR appropriations from annual to continuing, DATCP officials point to an instance where \$10,000 in expenditure authority was needed for printing publications, and DOA was hesitant to submit a request under s.16.515 to the Joint Finance Committee because of the relatively small amount of the request. Ultimately, DOA submitted the request to Joint Finance where no objections were raised and the request was approved. If the appropriation were continuing, any request for increased expenditure authority would still need to be submitted to DOA for authorization, but legislative approval would not be required.

3. While a continuing appropriation provides the Department with greater flexibility in spending, it also limits legislative review and may make it more difficult to anticipate, control and track program expenditures. Converting these annual PR appropriations to continuing reduces legislative oversight. As an alternative to provide the Department with more flexibility than it currently has, the Committee could choose to convert some appropriations to biennial. A biennial appropriation allows a Department to transfer expenditure authority between fiscal years in the same biennium with DOA approval. However, the Legislature retains authority in setting biennial expenditure authority and thereby limiting expenditures to the amounts appropriated in the biennium, subject to modification after legislative review.

B. Central Administration Services Expenditure Authority

4. DATCP's appropriation for central administrative services fees has base expenditure authority of \$201,200 annually. The Wisconsin Agricultural Statistics Service (WASS) uses the appropriation to collect and expend revenues for surveys requested by customers. As the following table portrays, recent spending from this appropriation has been significantly less than expenditure authority. According to the Department, spending needs vary greatly each year, depending on customer demand for surveys. Thus, DATCP claims it is difficult to precisely project future years' spending and revenue. However, the Department has suggested that spending authority could be reduced by \$16,000 annually to more closely estimate anticipated expenditures, while still maintaining sufficient spending authority. Another alternative would be to reduce expenditure authority by \$101,200. This would leave \$100,000 available annually, significantly more than has been needed in recent years.

WASS Expenditures

1997-98	\$12,300
1998-99	18,800
1999-00	37,500
2000-01*	56,100

*Through May 1, 2001.

ALTERNATIVES TO BASE

A. Appropriation Type

1. Approve the Governor's recommendation to change the following PR appropriations from annual to continuing: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

2. Change the following PR appropriations from annual to biennial: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

3. Maintain current law. (The appropriation would remain as annual.)

B. Central Administration Services Expenditure Authority

1. Reduce spending authority by one of the following annual amounts for the central administrative services fees appropriation.

a. \$16,000 (\$185,200 annually would remain).

Alternative B1a	PR
2001-03 FUNDING (Change to Base)	- \$32,000
[Change to Bill]	- \$32,000

b. \$101,200 (\$100,000 annually would remain).

Alternative B1b	PR
2001-03 FUNDING (Change to Base)	- \$202,400
[Change to Bill]	- \$202,400]

3. Maintain current law.

Prepared by: David Schug

MO# B-1(b)

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS _____

DATCP -- DEPARTMENTWIDE AND RESOURCE MANAGEMENT
AND UNIVERSITY OF WISCONSIN SYSTEM

Pest Management by School Districts

Motion:

Move to provide DATCP with \$136,400 SEG and 2.0 positions in 2001-02 and \$88,000 SEG in 2002-03 from the agricultural chemical ^{management} cleanup program (ACCP) fund for 1.0 program assistant, 1.0 environmental analysis and review specialist and funding for limited term employees to implement a pest management program in school districts. Further, provide the University of Wisconsin-Extension program with \$92,000 SEG from the ACCP fund in 2001-02 for limited term employee funding for a pest management program in school districts.

Require DATCP to assist school districts with all requirements under this motion and to consult with the Department of Health and Family Services (DHFS) and the Department of Public Instruction concerning school pest management issues. Require the University of Wisconsin Board of Regents to provide, through UW-Extension, programs to train employees of school districts and other persons about using integrated pest management. Define "integrated pest management" as a comprehensive strategy of pest control whose major objective is to achieve desired levels of pest control in an environmentally responsible manner by combining multiple pest control measures to reduce or eliminate the need for reliance on chemical pesticides; more specifically, a combination of pest controls which addresses conditions that support pests and may include, but is not limited to, the use of monitoring techniques to determine immediate and ongoing need for pest control, increased sanitation, physical barrier methods, the use of natural pest enemies and a judicious use of lowest risk pesticides when necessary, after all other methods have been exhausted. Further, require that the training include information about the development and implementation of pest management plans to prevent unacceptable levels of pest activity and damage in schools and on school grounds while minimizing hazards to persons, property and the environment. Require UW-Extension and state Cooperative Educational Service Agencies to cooperate in providing the training.

Require school boards to propose a pest management plan, after obtaining the training outlined above, for at least one member of the school board or school district employee who will be involved in developing the pest management plan. Require the plan be designed to prevent unacceptable levels of pest activity and damage while minimizing hazards to people, property and the environment. Require that the plan include the pest management practices that will be used by the school district, including a description of: (a) the methods that will be used to identify pest problems, including monitoring to determine whether the number of pests justifies pesticide treatment; (b) the nonchemical methods that the school district will use to seek to prevent

unacceptable levels of pest activity and damage; (c) the pesticides and methods of application that the school district will use if the nonchemical methods fail to prevent unacceptable levels of pest activity and damage; and (d) the means the school district will use to meet other requirements outlined below.

Require school boards to provide public notice and hold a public hearing on their proposed pest management plan, and to adopt a plan by the first day of the seventh month after the effective date of the bill that meets the requirements in (a) to (d) above. Require the plan be submitted to DATCP by the same date. Further, require the school board to implement the plan by the first day of the thirteenth month after the effective date of the bill. School boards must notify DATCP of any modifications to the pest management plan and provide public notice and a hearing before modifying their plan.

Require school boards to authorize pesticide application in a school or on school grounds only by persons who are certified by DATCP in the applicable pesticide use category under current law. Further, require that when the use of a pesticide is determined to be necessary in a school or on school grounds, that the school board use integrated pest management practices.

Require school boards to post notice of each school pesticide application during, and for at least the 72 hours after, the application. Further, unless the school district administrator or the school principal declares that a pest emergency exists, at least 72 hours in advance of each school pesticide application, require school boards to provide written notification of the name of the pesticide to be applied, the planned time and location of the application, the potential health effects of exposure to the pesticide, as indicated on its label, and the name and telephone number of a person at the school who can be called for more information or to report health effects from exposure. The written notification would need to be sent to all school district employees or contractors and all students who may be present in the area of application within 72 hours after the application. The parents or guardians of the affected students also would receive the written notification. If a pest emergency were declared, the written notification with the actual application information would need to be sent to the same persons above, as soon as possible after the application. In all cases, require the written notice to be in a font size no smaller than routinely used for other school notices to parents.

Require school boards to maintain records for each school pesticide application that include: (a) the name and certification number of the person applying the pesticide; (b) the type of pesticide applied and its brand name; (c) the name and number of the pesticide as registered under the federal insecticide, fungicide, and rodenticide act; (d) the manufacturer of the pesticide; (e) the pesticide's active and inert ingredients; (f) the date and time of the application and the amount of pesticide applied; (g) how the pesticide was applied, including any additives used and the type of application device used; (h) the street address of the place at which the pesticide was applied and a description of the area to which the pesticide was applied; (i) the purpose of the application, including the target pest and whether the application was preventive or reactive; (j) for an outdoor application, a description of the weather conditions at the time of the application; and (k) the symptoms of acute poisoning from the pesticide, as indicated on its label. Require school boards to provide the records

quarterly to DATCP, unless the school district does not use pesticides and notifies DATCP of that fact. Require that the records, if required, be made available from school boards or the Department to any person upon request. In addition, require school boards to provide any information regarding pest management that is requested by DATCP.

Prohibit school districts from using pesticide fumigation, from applying pesticides for aesthetic or cosmetic purposes and from routinely using pesticides in or around schools on a regularly scheduled basis. In addition, prohibit a school district from using pesticides around schools unless nonchemical methods of pest control have failed. Require school boards to review their liability and property insurance to determine whether coverage is adequate for damage or loss caused by pesticides.

Require DATCP and the UW Board of Regents to enter into a memorandum of understanding concerning school pest management and UW-Extension training to ensure cooperation between DATCP and UW-Extension and to avoid duplication of activities. Require DATCP, in cooperation with the UW-Extension and DHFS, to submit a report evaluating the above school pesticide program on or before January 1 of each even-numbered year to the Legislature.

Note:

The motion would include a number of the provisions of 1999 Senate Bill 479 relating to pest management by school districts, as modified to incorporate changes included in Senate Amendments 1, 2 and 3 to SB 479.

Under SB 55, the ACCP fund is expected to have a June 30, 2003 balance of approximately \$1.7 million. The ACCP fund is used for the cleanup of fertilizers and nonhousehold pesticides, including spills occurring at commercial fertilizer blending facilities, commercial pesticide application businesses and farm sites. The ACCP fund receives revenues from industry fertilizer and pesticide license and tonnage surcharges.

[Change to Bill: \$316,400 SEG and 2.0 SEG positions]

[Change to Base: \$316,400 SEG and 2.0 SEG positions]

MO#

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 10 NO 6 ABS

DATCP – DEPARTMENTWIDE AND RESOURCE MANAGEMENT

Integrated Pest Management

Motion:

Move to approve the Governor's recommendation under DATCP – Departmentwide and Resource Management, summary item #13 related to integrated pest management (IPM) in schools. In addition, require that if less than 80% of public school students are located in school districts where at least one employee of that school district has attended an IPM training program under the Department's IPM program under summary item #13 as of June 30, 2003, implement the provisions under Motion #619.

Note:

The funding under motion #619 would not be provided, as the program under motion #619 would not be implemented in this biennium.

[Change to Base: \$239,400 SEG and 1.0 SEG position]

[Change to Bill: \$239,400 SEG and 1.0 SEG position]

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
2 GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

Motion #641

AYE 8 NO 8 ABS _____

Family Farm Motion

(See attached memo for supporters)

((NOTE: Rep. Ward will likely be quite rude to you about this motion. He thinks he speaks for all farmers - which many would doubt - and he hates Citizen Action and the fact that an urban legislator is "telling farmers what to do."))

Quote from Bishop Raymond Burke, Diocese of La Crosse:

- "It is important to keep in mind the economic situation in every sector of farming, which is destroying the agrarian culture that is at the foundation of our life together - and handing over production of our food to transnational corporations. We have a responsibility to care for the land and for the common good. We cannot hand over these responsibilities to anonymous economic forces and interests. We are unwilling to sit by idly while family farmers are systematically driven from their essential service to all of us by an unjust agricultural economy."

Now, I'm sure it will be pointed out that I'm from Milwaukee and not a farmer. Fair enough. But at least I am trying to do something. For all the alleged agricultural experts we have in this legislature and in Congress, in the administration and in the special interest corps, no one has been able to solve the farming crisis in our state.

We lost 12,000 farmers between 1990 and 1999. I think folks better be careful before they harshly criticize a large coalition of well-meaning Wisconsin residents for trying to do something to help individual farming families and a dying way of life. This motion won't solve all the problems but it's an attempt to move us forward. I will also offer some parts of this comprehensive package during work on DOJ's budget and the UW.

(Have David Schug of FB go through the motion now)
(see attached articles and memos for more info)

Swiderski, Julie

From: Ashenfelter, Barry
Sent: Tuesday, May 15, 2001 9:59 AM
To: Swiderski, Julie
Subject: one more thing for farms

Overall message:

Although I'm not from a rural district, I know that agriculture matters. Agribusiness provides nearly 20% of Wisconsin jobs and has a major impact on land use. Wisconsin's farmers are stewards of about 10 million acres of land.

I have received a lot of contact on this issue from my constituents and I am impressed with the diverse coalition that is behind this effort. The people I've talked to think the state legislature should do more for family farms. They want us to do more to protect farms because they care about families growing the food they eat, they also care about keeping families on the land and they care about protecting the vitality of Wisconsin's rural communities. This committee has heard from several religious leaders reminding us of the faith communities role in advocating for family farms and rural justice.

Agriculture today is at a critical juncture. Wisconsin is losing nearly 5 farms per day while milk and commodity prices are near an all time low. If we leave current policies and trends in place, there will be little left of Wisconsin family based agriculture. It doesn't have to be that way. The concentration of farms into bigger and bigger units is not the result of forces of nature, but driven by policy decisions and biases and choices often not made by farmers themselves.

There is another way, but we don't have much time. The decision is ours to choose.

So today I am introducing a \$1.9 million Family Farm Protection Act Budget Amendment in support of Wisconsin's 65,000 farm families. Its importance goes far beyond preserving 65,000 rural farms, which must be viewed as independent businesses. This amendment is also critical to our state's food security, to our environment, to tourism and to many of our most revered cultural traditions.

This amendment is designed to:

- >>Prevent unfair trade practices and level the playing field so small to moderate sized family farms - the vast majority of Wisconsin farms - can be economically viable
- >>Ensure adequate environmental protection and help family farmers by providing cost sharing for nutrient management programs
- >>Invest in a future for Wisconsin family-farms by providing including fully funding ADD, helpings farmers transition to managed grazing and organic

systems of production, and initiating an aggressive marketing effort for Wisconsin grown farm products.

Grazing and organic systems are proven fast growing and profitable methods of farming with real potential. Today over 20% of dairy farmers use managed grazing. We need to assist farmers in grabbing a significant market share of products grown in this fashion for Wisconsin.

**Citizens for a Better Environment
Madison Audubon Society
Northern Thunder
River Alliance of Wisconsin
Sierra Club - John Muir Chapter
1000 Friends of Wisconsin
Wisconsin Association of Lakes
Wisconsin Citizen Action
Wisconsin Farmers Union
WISPIRG, Wisconsin State Public Interest Research Group
Wisconsin's Environmental Decade**

May 15, 2001

MEMO TO: Members of the Joint Committee on Finance

RE: Joint Statement by Wisconsin Environmental and Family Farm Organizations
on the 2001-2003 State Budget

You will soon consider the following budget items. Specific group support and contact information is provided with each topic. Thank you for your consideration.

1. Healthy Schools (DATCP):

* Require that parents, guardians, teachers and workers be notified of pesticide use at least 72 hours before application. Require schools to post warnings after all applications and report their pesticide use annually. Require schools to adopt a least toxic approach to fighting pest problems. This process would utilize proper identification of pest problems and regular monitoring to determine if and when pests are at levels severe enough to require treatment. Eliminate routine, unnecessary spraying.

* Require that school personnel who would apply pesticides be trained in Integrated Pest Management (IPM). Require schools to use physical, mechanical and biological methods to prevent unacceptable levels of pest activity and damage, with the least hazard to people, property and the environment. Least toxic chemicals are to be used as a last resort.

CONTACT: Citizens for a Better Environment, Susan Mudd, 414-271-7280 or cbesmudd@cbemw.org and Wisconsin's Environmental Decade, Keith Reopelle, 608-251-7020 or reopelle@itis.com.

2. Protecting Wisconsin Waters (DATCP, DNR, WisDOT):

* Fund nonpoint source pollution programs at levels requested by DNR at a minimum. Runoff pollution from agriculture and urban areas is Wisconsin's largest source of water pollution. Runoff affects 40% of our streams, 90% of our inland lakes, many Great Lakes coastal waters, and much of our groundwater. This pollution makes our water unsafe to drink and our lakes and rivers unsafe for swimming and fishing.

- * Resume past practice of allocating \$7.50 per vehicle transfer from WisDOT, rather than GPR.

CONTACT: Sierra Club, Caryl Terrell, 608-256-0565 or cterrell@execpc.com, WISPIRG, Kerry Schumann, 608-251-1918 or wispirg@chorus.net, River Alliance of WI, Todd Ambs, 257-2424 or tambs@wisconsinrivers.org and Wisconsin Farmers Union, Bob Denman, 715-723-5561 or wfubobd@ecol.net.

3. Family Farms and a Clean Environment (DATCP, DNR, UW System, Commerce):

- * Support Senator Brian Burke's Family Farm Protection Budget Amendments to help small farms to implement nutrient management plans and to transition from traditional farming to rotational grazing and organics.
- * Create an application fee for businesses applying for WPDES permits to fund two DNR staff and fund options to liquid animal waste systems.
- * Create "Buy Wisconsin" market development program so school districts and local governments can purchase locally grown farm products directly from Wisconsin farmers.

CONTACT: Wisconsin Citizen Action, Pam Porter, 608-256-1250 x12 or pporter@wiscitizenaction.org, Sierra Club, Caryl Terrell, 608-256-0565 or cterrell@execpc.com and Wisconsin Farmers Union, Bob Denman, 715-723-5561 or wfubobd@ecol.net.

4. Fair Allocation of The Motorboat Gas Tax (WisDOT, DNR):

- * Increase the formula from 50 to 80 gallons per year allocated to DNR from the State tax on motorboat fuel. The current motorboat gas tax formula substantially understates the State tax revenue derived from boaters (Iowa found 299 gals, Minnesota found 100 gals was typical average annual use). Tax revenue from boaters goes to the "water resources account" to provide grants for local lake and river protection efforts and funds State lake and river management and wetlands mitigation efforts (including wetland conservation, restoration, and control of exotic weeds such as purple loosestrife). If the full 80 gallons per motorboat formula is adopted it would amount to \$6.4 million which is less than 1% of total fuel tax collected.

CONTACT: Wisconsin Association of Lakes, Donna Sefton, 608-662-0923 or wilakes@execpc.com and River Alliance of WI, Todd Ambs, 257-2424 or tambs@wisconsinrivers.org.

5. Preventing a Solid Waste Crisis (DNR):

- * Increase from \$0.20 to \$10 per ton landfill tipping fee to fund municipal recycling grants and avoid need for building new unpopular landfills.

CONTACT: WISPIRG, Kerry Schumann, 608-251-1918 or wispirg@chorus.net, Sierra Club, Caryl Terrell, 608-256-0565 or cterrell@execpc.com and Wisconsin's Environmental Decade, Keith Reopelle, 608-251-7020 or reopelle@itis.com.

6. Land Use & Transportation (WisDOT, DOA, DATCP):

- * Increase funding for state planning grants to local governments by \$1 million in each year of the biennium.
- * Require DOA to create a Smart Growth Data Set for use by local governments and citizens when writing comprehensive plans. The data set would be one stop web based shopping for all the information held by state government agencies that is needed to local plans.
- * Modify highway corridor planning grants to include consideration of agricultural, natural resource and cultural area preservation in addition to development issues.
- * Establish a committee to develop a long-range multimodal, multi-program transportation investment plan. The committee would be appointed by the Governor, Assembly Speaker, Senate Majority Leader and represent stakeholders, including local governments, transit, rail, and environmentalists."
- * Modify the Farmland Preservation Program to: convert to a per acre direct payment; require counties to update agricultural preservation plans and integrate them eventually with comprehensive plans; establish agricultural enterprise areas and transition areas; target higher benefits and higher standards to enterprise areas; study the creation of a state matching fund for purchase of agricultural conservation easements.
- * Establish the mechanism for distributing Smart Growth Dividend payments to local governments starting in 2005.
- * Require life cycle cost estimates for all new major highway projects.
- * Allow new major highway projects to be authorized only when they can be built under current revenue projections.
- * Require an independent (outside of DOT) analysis of existing major highway project authorizations to determine if they can be reduced in cost.
- * Increase bonding authorization for Stewardship Fund for acquisition of conservation land and natural areas to \$60 million per year
- * Establish a new Urban Stewardship Fund with a separate bonding allotment to provide funds for urban and neighborhood park and recreation facilities.

CONTACT: 1000 Friends of Wisconsin, Dave Cieslewicz, 608-259-1000 or dcies@1kfriends.org and Citizens for a Better Environment, Rob Kennedy, 608-251-9164 or robkennedy@igc.apc.org.

AGRICULTURE, TRADE AND CONSUMER PROTECTION AND COMMERCE

Arsenic in Wood

Motion:

Move to require DATCP and Commerce to submit to the Joint Committee on Finance by the December, 2001, s. 13.10 meeting, a comprehensive plan to phase out the purchase by any state agency of wood, ^{or other entities using state funds} or any product that contains wood, that is treated with arsenic, inorganic arsenic or an arsenic copper combination such as chromated copper arsenate wood preservative fungicide by December 31, 2002. Further, require that the plan include a recommendation on how to keep wood treated with arsenic, inorganic arsenic or an arsenic copper combination such as chromated copper arsenate wood preservative fungicide from being used in children's playground equipment at K-12 schools and in municipal parks. In addition, require that the plan include whether any Wisconsin-based corporations treat wood with arsenic, inorganic arsenic or an arsenic copper combination such as chromated copper arsenate wood preservative fungicide. Further, if any Wisconsin-based corporation does treat wood in this manner, require the plan to include how much financial assistance would be needed to assist these corporations in converting their operations to use a preservative that does not contain arsenic, inorganic arsenic or an arsenic copper combination such as chromated copper arsenate wood preservative fungicide.

Note:

DATCP currently regulates the use of wood preservatives in the state.

MO# _____

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
WIRCH	<input checked="" type="radio"/>	N	A
DARLING	<input type="radio"/>	<input checked="" type="radio"/>	A
WELCH	<input type="radio"/>	<input checked="" type="radio"/>	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input type="radio"/>	<input checked="" type="radio"/>	A
WARD	<input type="radio"/>	<input checked="" type="radio"/>	A
HUEBSCH	<input type="radio"/>	<input checked="" type="radio"/>	A
HUBER	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 11 NO 5 ABS _____

AGRICULTURE, TRADE AND CONSUMER PROTECTION,
NATURAL RESOURCES AND COMMERCE

Family Farm Protection Act

Motion:

Move to provide \$2,225,000 GPR annually and \$380,700 PR in 2002-03 with 3.0 GPR and 2.0 PR positions for programs in the Departments of Agriculture, Trade and Consumer Protection (DATCP, \$2,225,000 GPR annually and 3.0 GPR positions) and Natural Resources (DNR, \$380,700 PR with 2.0 PR positions in 2002-03). Further, transfer \$500,000 annually from the Department of Commerce Wisconsin Development Fund for a farm entrepreneur micro-loan program. Funding would be allocated as described below.

DATCP -- Resource Management. Provide \$500,000 GPR annually and 1.0 program and planning analyst position in a new, annual appropriation and create a cost-share program to assist farmers interested in, or transitioning to, managed intensive grazing or organic systems of agricultural production. Allow cost-shares to be used for educational and technical assistance or for eligible management practices and require DATCP to determine eligible practices and cost-share rates (up to a maximum of 70%) by rule. Further, provide \$1,000,000 GPR annually for: (a) cost-share funding for state and federally required nutrient management plans; (b) a certification program for persons who develop nutrient management plans; and (c) state and federal crop insurance programs. Require DATCP to provide cost-share funding under this program to farms with fewer than 300 animal units.

DATCP -- Agricultural Marketing. Provide \$400,000 GPR annually to increase agricultural development and diversification (ADD) program grant funding. Further, provide \$250,000 GPR annually with 1.0 agricultural marketing consultant and create a "Buy Wisconsin" market development program that would: (a) promote a Wisconsin identity for diverse, farm-raised foods through producer directories, marketing materials, media and trade promotion for Wisconsin producers, producer organizations and specialty food companies; and (b) encourage school districts and local and state governments to purchase products directly from Wisconsin producers, producer organizations and specialty food companies.

DATCP -- Price and Market Reform. Provide \$75,000 GPR annually and 1.0 trade practices analyst position to review price reports, disseminate information about farm prices to farmers and develop criteria for agricultural production contracts to prevent unfair trade practices between producers and buyers of milk or "market livestock" (any animal raised for food or fiber purchased from producers for slaughter, processing or resale). Require market livestock buyers to submit these contracts to DATCP for review. Further, require milk processors and market livestock buyers to submit daily price reports to DATCP.

DNR -- Water Pollution Discharge Elimination System Fees. Require that applicants for water pollutant discharge elimination system (WPDES) permits pay an application fee that generates revenues equal to the Department's appropriation for processing WPDES permit applications and performing compliance monitoring of the permit holder. Create a program revenue annual appropriation for deposit of the application fees. Direct DNR to promulgate administrative rules to establish the fee structure. Provide \$380,700 PR in 2002-03 with 2.0 PR positions to be funded from the fees to increase departmental activities related to WPDES permit application processing and compliance monitoring.

DNR -- Animal Waste Management. Require DNR to prepare and submit to the appropriate standing committee in each house of the Legislature no later than the 13th month after the effective date of the bill, a report outlining options, including the use of wastewater treatment systems, to the handling of liquid animal waste through manure storage lagoons and aerial irrigation systems. Require that the report include all of the following: (a) best available control technology; (b) maximum available control technology; (c) lowest achievable emission reduction; and (d) a plan to phase out nonconforming lagoons.

Commerce -- Farm Entrepreneur Micro-Loan Program. Establish a low-interest loan program under the Rural Economic Development (RED) program that provides low interest loans to individuals for: (a) farm operating costs; (b) costs of implementing new farm enterprises; and (c) costs of developing agricultural businesses that add value and build markets. Require Commerce staff to administer the program. Transfer \$500,000 from the Wisconsin Development Fund in each year and create a separate program under RED for farm entrepreneur micro-loans.

Note:

The motion would provide funding and positions as shown in the table below.

Family Farm Protection Act Funding

	2001-02	2002-03	ETE
DATCP-- Resource Management	\$1,500,000	\$1,500,000	1.0
DATCP-- Agricultural Marketing	650,000	650,000	1.0
DATCP-- Price and Market Reform	75,000	75,000	1.0
DNR-- WPDES fees (PR)	0	380,700	2.0
TOTAL GPR	\$2,225,000	\$2,225,000	3.0
TOTAL PR	\$0	\$380,700	2.0

DATCP -- Resource Management. Under current administrative rules, nutrient management plans are eligible for 50% cost-shares under DNR's nonpoint and DATCP's land and water resource management programs.

DATCP -- Agricultural Marketing. The ADD program provides grants to farmers or other entrepreneurs to develop agricultural crops and livestock products, value-added and other new uses for existing products and new business ventures. The ADD program base budget for grants is \$400,000 GPR annually.

DNR -- Water Pollution Discharge Elimination System Fees. Persons must currently obtain a WPDES permit from DNR to receive permission to discharge any pollutant into the waters of the state. Permit holders generally include municipal wastewater treatment plants, industrial facilities and large scale agricultural operations. Permits include conditions such as effluent limitations, limitations necessary to meet federal or state water quality standards, compliance schedules and groundwater protection standards. Permits are issued for a term of up to five years. There are approximately 4,230 WPDES permits (474 industrial, 665 municipal, 91 confined animal feeding operations and approximately 3,000 general permits). Based on an average of 846 permits issued per year, DNR would have to assess fees that average approximately \$450 per permit applicant to cover the \$380,700 in expenditure authority provided under the motion (though DNR would have the authority to set variable fees based on criteria established by rule).

Currently, WPDES permit holders do not pay an application fee. Rather, they are required to pay an annual wastewater discharge environmental fee. The amount of fee is specified by DNR rule and is based on the environmental harm caused by the pollutants discharged, the quantity of the pollutants discharged and the quality of the water receiving the discharge. In fiscal years through 1999-00, DNR could not charge total fees that exceeded \$7,450,000, and in fiscal years beginning in 2000-01 cannot charge total fees that exceed \$7,925,000. The fees are deposited in the general fund and are used to partially offset about \$9.8 million in GPR appropriated for DNR wastewater management functions. For the fees assessed in fiscal years beginning in 2000-01, for calendar year 2000 discharges, DNR is required to: (a) use the fees paid by a person in 1999-00 as the basis for the fees; (b) determine the fee for each person based on the amount of pollutants discharged, using a five-year rolling average; (c) use a performance-based approach that increases a person's fees in proportion to increases in the amount of pollutants discharged and decreases a person's fees in proportion to decreases in the amount of pollutants discharged; (d) omit any multiplier or similar mechanism that would increase a person's fees in order to compensate for decreases in overall amounts of discharges; and (e) omit any provision that would increase the fee per unit of pollutant discharged in order to compensate for decreases in overall amounts of discharges.

Certain WPDES permit holders also pay an annual groundwater fee to DNR, for deposit in the environmental management account of the environmental fund. The fee equals \$100 if the permittee discharges effluent on land or if the permittee produces sludge from a treatment work which is disposed of on land. The fee equals \$200 if the permittee discharges effluent on land and disposes of sludge from a treatment work on land. The fee generated \$99,800 in revenue in 1999-00.

The proposal would not make changes in either the current annual wastewater discharge permit fee or the annual groundwater fee paid by WPDES permit holders.

Commerce -- Farm Entrepreneur Micro-Loan Program. The Rural Economic Development (RED) program provides grants for professional services and for dairy farm and other agricultural business start-ups, modernizations and expansions. The program also provides grants and loans for working capital and fixed asset financing in starting or expanding a business and to pay certain employee relocation and certain training costs. Loans and grants are made from both a GPR appropriation, as well as a program revenue repayments appropriation. Base level funding for RED is \$656,500 GPR and \$120,000 PR.

The Wisconsin Development Fund (WDF) consists of the following programs: (1) technology development grants and loans; (2) customized labor training grants and loans; (3) major economic development grants and loans; (4) urban early planning grants; (5) Wisconsin trade project; (6) employee ownership assistance grants; (7) manufacturing extension center grants; (8) revolving loan fund capitalization grants; and (9) the rapid response fund. The WDF is funded through both a general purpose revenue (GPR) and a program revenue (PR) appropriation. The GPR appropriation is the primary source of funding for the WDF. Annual base level funding for the program is \$7,503,800 GPR and \$2,500,000 PR. This motion would require Commerce to allocate \$500,000 annually from the WDF for grants and loans under the proposed Farm Entrepreneur Micro-Loan Program.

[Change to Bill: \$4,450,000 GPR and \$380,700 PR and 3.0 GPR and 2.0 PR positions]

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A
AYE	8	NO	8 ABS

DATCP -- DEPARTMENTWIDE AND RESOURCE MANAGEMENT

Drainage District

Motion:

Move to provide \$200,000 PR in 2001-02 and \$10,000 PR in 2002-03 in a new, annual appropriation and require DATCP to create and maintain a secure website for drainage districts to post engineering projects with the purpose of obtaining electronic bids for drainage district engineering services. Further, require DATCP to promulgate rules to set fees to cover the costs of the website.

Note:

The motion would provide one-time funding of \$200,000 for a consultant's time to development and set-up a secure web page where engineers could bid on projects and only drainage districts would be able to see the bids and for contract costs of \$10,000 annually to maintain the system.

[Change to Base: \$210,000 PR]

[Change to Bill: \$210,000 PR]

MO# _____

BURKE	Y	(N)	A
DECKER	Y	(N)	A
MOORE	Y	(N)	A
SHIBILSKI	(Y)	N	A
PLACHE	Y	(N)	A
WIRCH	Y	(N)	A
DARLING	(Y)	N	A
WELCH	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
ALBERS	(Y)	N	A
DUFF	(Y)	N	A
WARD	(Y)	N	A
HUEBSCH	(Y)	N	A
HUBER	Y	(N)	A
COGGS	Y	(N)	A

DATCP -- DEPARTMENTWIDE AND RESOURCE MANAGEMENT

Wisconsin Grazing Lands Conservation Initiative

Motion:

Move to create an annual appropriation and provide \$100,000 GPR in each fiscal year to the Wisconsin Grazing Lands Conservation Initiative for technical education and research. Sunset the grant program on June 30, 2006.

Note:

The Wisconsin Grazing Lands Conservation Initiative is an organization with a mission of improving and expanding the use of grazing-based systems of livestock production on private land, that are practical and profitable for farmers and to foster environmental stewardship.

[Change to Bill: \$200,000 GPR]

[Change to Base: \$200,000 GPR]

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AGRICULTURE, TRADE AND CONSUMER PROTECTION

Departmentwide and Resource Management

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
1	Standard Budget Adjustments
6	Laboratory Services and Equipment
8	Drainage Board Grants
10	Consolidate Agrichemical Management Appropriations
11	Lead Arsenate Contamination
13	Integrated Pest Management (IMP) in K-12 Schools
14	Gypsy Moth Program Increases
15	Plant Inspection
16	Consolidate Plant Protection Appropriations
19	Debt Service Reestimate
20	Consolidate Nonagency Laboratory Appropriations
21	Consolidate Gifts and Grants Appropriations
22	Consolidate State Services Appropriations
24	Transfer Positions to Central Administrative Staff

LFB Summary Items to be Addressed in a Separate Paper

Item #	Title	MO#		
2	Base Budget Reduction			
3	Land and Water Resource Management Bonding	2 BURKE	(Y)	N A
4	Convert Nonpoint Appropriation to GPR	DECKER	(Y)	N A
		MOORE	(Y)	N A
		SHIBILSKI	(Y)	N A
		PLACHE	(Y)	N A
		WIRCH	(Y)	N A
		DARLING	(Y)	N A
		WELCH	(Y)	N A

LFB Summary Items for Introduction as Separate Legis

Item #	Title			
		GARD	(Y)	N A
		KAUFERT	(Y)	N A
		ALBERS	(Y)	N A
7	Farmland Preservation Liens and Conversion Fees	DUFF	(Y)	N A
9	Drainage District Permitting	WARD	(Y)	N A
12	Commercial Feed Violation Penalties	HUEBSCH	(Y)	N A
17	Expand DATCP Pest Abatement Authority	HUBER	(Y)	N A
25	Delete Reporting Requirements	COGGS	(Y)	N A
26	Eliminate the World Dairy Center Authority			

AYE 16 NO 0 ABS _____

Natural Resources

Fish, Wildlife and Recreation

Base Agency

(LFB Budget Summary Document: Page 468)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
-	GPR-Supported Conservation Wardens (Paper #645)
1	Fisheries Management Staffing (Paper #646)
2	Wildlife Management Staffing (Paper #647)
4	Managing Wildlife Diseases (Paper #648)
8	Venison Processing Donation Program (Paper #649)
10	Automated License Issuance System (Paper #650)
15	Forestry and Law Enforcement Radio Equipment (Paper #651)
18	Car-Killed Deer (Paper #652)
23	Fuel Tax Transfer Reestimates (Paper #653)
19 & 20	Snowmobile Registration Fees and Trail Aids (Paper #654)
22	State Snowmobile Education and Enforcement (Paper #655)
27	Dredging to Improve Great Lakes Recreational Access (Paper #656)

AGENCY: DNR

PAPER: #645

ISSUE: GPR - Supported Conservation **Wardens**

RECOMMENDATION: (see summary)

SUMMARY: Any alternative is fine as long as it doesn't jeopardize future warden staffing (i.e. jobs). May want to retain some GPR funded positions.

BY: Barry

Russ - Alt 2
IS 2nd we support Decker
Gard OK



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 15, 2001

Joint Committee on Finance

Paper #645

GPR-Supported Conservation Wardens (DNR -- Fish, Wildlife and Recreation)

CURRENT LAW

The Department of Natural Resources is charged with securing the enforcement of all laws which it is required to administer and bring, or cause to be brought, actions and proceedings in the name of the state for that purpose. The persons appointed by DNR to exercise and perform the powers and duties conferred upon DNR are known as conservation wardens. DNR wardens have general law enforcement authority on state-owned lands and property under the Department's supervision, management, and control.

As a condition of receiving federal aid under the Sport Fish Restoration Act and the Wildlife Restoration Act, federal law requires that revenues received from hunting and fishing licenses not be diverted to purposes other than the administration of the state fish and wildlife agency (in Wisconsin, the Department of Natural Resources).

GOVERNOR

No provision.

DISCUSSION POINTS

1. The 1995-97 biennial budget made various funding changes related to the warden force, including: (a) shifting 4.0 SEG positions annually from the fish and wildlife account of the conservation fund to the environmental fund to reflect the increased workload for environmental enforcement activities; (b) shifting 2.0 SEG positions annually from the fish and wildlife account to the boat registration account of the conservation fund to reflect the efforts of wardens on water

safety and enforcement activities; (c) deleting 2.0 GPR conservation warden positions (one related to underwater archaeology and one as part of the overall GPR funding reductions in the act); and (d) providing \$136,000 SEG annually (split funded from the conservation and environmental funds) to support conservation warden activities, including travel, training, and data entry costs.

Under the 1997-99 biennial budget, further changes relating to warden funding were made, including: (a) shifting 5.0 SEG enforcement positions (4.5 wardens and 0.5 program assistant) annually from the snowmobile account of the conservation fund to GPR as part of an overall shift to provide additional funding for local snowmobile trail aids; and (b) providing 1.0 SEG conservation warden position from the all-terrain vehicle account to reflect the workload for ATV enforcement. The 1997-99 budget adjustment bill, (1997 Act 237), provided 18.0 conservation warden positions. Of these, 17.0 were funded with GPR and 1.0 was funded with snowmobile account SEG.

The 1999-01 biennial budget, (1999 Act 9), transferred 6.0 snowmobile enforcement positions (5.0 GPR and 1.0 snowmobile SEG) to tribal gaming program revenue allocations and authorized a seventh position for mandatory snowmobile education. Under SB 55, two vacant conservation warden positions and one program assistant position would be transferred from GPR to snowmobile SEG funding.

2. In 1999-00, DNR conservation wardens recorded 206,800 hours for safety and enforcement work related to fish and game. These activities include enforcement of hunting and fishing regulations, hunter education programs, commercial fish and game activities, treaty enforcement issues, and car-killed deer contracts. In 1999-00, 8,900 citations were issued for violations related to hunting, fishing, and trapping laws. For comparison, during the same year DNR sold 1,322,700 fishing licenses, 1,587,800 hunting licenses, and 169,500 combination licenses.

3. Traditionally, programs for hunters, fishers and recreational vehicle users have primarily been funded from the appropriate segregated conservation fund account. This has been the practice to reflect the sentiment that those who benefit from the recreational activity should pay for the associated costs. Wardens funded with GPR may serve a variety of enforcement needs. Positions funded with conservation fund SEG have the effect of allocating 1 FTE per year to purposes associated with the account that provides the funding. Based on the median salary of the GPR supported wardens, the cost of supporting each additional warden would be approximately \$62,900 per year, including fringe benefits and supplies.

4. The following table shows the condition of the fish and wildlife account of the conservation fund. The account is estimated to have a balance of \$11.3 million on June 30, 2003, under the bill and could support additional conservation wardens in the 2001-03 biennium. However, it should be noted that the account has a potential structural imbalance of almost \$2 million in 2002-03 (revenues of \$66.7 million and expenditures of \$68.6 million). If additional funding for enforcement efforts associated with fish and wildlife activities were provided, the level of funding may need to be adjusted in future biennia, should revenues remain below appropriated expenditure levels.

Fish and Wildlife Account Condition Statement
SB 55
(\$ in Millions)

	<u>2001-02</u>	<u>2002-03</u>
Opening Balance	\$19.6	\$15.3
Total Revenue	\$64.6	\$66.7
Total Available	\$84.2	\$82.0
Expenditures	\$68.5	\$68.6
Reserves*	<u>\$0.4</u>	<u>\$2.1</u>
Total Expenditures	\$68.9	\$70.7
Closing Balance	\$15.3	\$11.3

*Includes continuing balances from assigned revenue appropriations (such as waterfowl, wild turkey or pheasant habitat stamp programs) and payplan reserves.

ALTERNATIVES TO BASE

1. Transfer the following number of GPR-supported conservation wardens to fish and wildlife SEG to support enforcement efforts associated with hunting and fishing activities:

a. two

<u>Alternative 1a</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	- \$251,600	\$251,600	\$0
<i>[Change to Bill]</i>	- \$251,600	\$251,600	\$0]
2002-03 POSITIONS (Change to Base)	- 2.00	2.00	0.00
<i>[Change to Bill]</i>	- 2.00	2.00	0.00]

b. four

<u>Alternative 1b</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	- \$503,200	\$503,200	\$0
<i>[Change to Bill]</i>	- \$503,200	\$503,200	\$0]
2002-03 POSITIONS (Change to Base)	- 4.00	4.00	0.00
<i>[Change to Bill]</i>	- 4.00	4.00	0.00]

c. six

<u>Alternative 1c</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	- \$759,000	\$759,000	\$0
[Change to Bill]	- \$759,000	\$759,000	\$0]
2002-03 POSITIONS (Change to Base)	- 6.00	6.00	0.00
[Change to Bill]	- 6.00	6.00	0.00]

d. eight

<u>Alternative 1d</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	- \$1,014,800	\$1,014,800	\$0
[Change to Bill]	- \$1,014,800	\$1,014,800	\$0]
2002-03 POSITIONS (Change to Base)	- 8.00	8.00	0.00
[Change to Bill]	- 8.00	8.00	0.00]

e. ten

<u>Alternative 1e</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	- \$1,265,400	\$1,265,400	\$0
[Change to Bill]	- \$1,265,400	\$1,265,400	\$0]
2002-03 POSITIONS (Change to Base)	- 10.00	10.00	0.00
[Change to Bill]	- 10.00	10.00	0.00]

2. Maintain current law.

MO# 2

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
Prep SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A