



STATE OF WISCONSIN Assembly Journal

Ninety-Seventh Regular Session

THURSDAY, October 20, 2005

The Chief Clerk makes the following entries under the above date:

AMENDMENTS OFFERED

Assembly amendment 1 to **Assembly Bill 485** offered by committee on **Small Business**.

Assembly amendment 1 to **Assembly Bill 574** offered by committee on **Small Business**.

Assembly amendment 1 to **Assembly Bill 593** offered by Representatives Nass, Kestell, Kreibich, Vos, Towns, Suder, Hines, Vukmir, Hundertmark and LeMahieu.

Assembly amendment 1 to **Assembly Bill 680** offered by Representative Ballweg.

Assembly amendment 1 to **Assembly Bill 726** offered by Representative Ballweg.

Assembly substitute amendment 1 to **Assembly Bill 764** offered by committee on **Insurance**.

Assembly amendment 1 to **Assembly Bill 769** offered by committee on **Insurance**.

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 05-062

Relating to allowing the operation of double bottoms and certain other vehicles on certain specified highways.

Submitted by Department of Transportation.

Report received from Agency, October 12, 2005.

To committee on **Transportation**.

Referred on October 20, 2005.

INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

Assembly Joint Resolution 61

Relating to: the life and service of Colonel Herbert M. Smith.

By Representatives Suder, Musser, Nischke, Lothian, Lehman, Krawczyk, Bies, Hahn, Owens, Petrowski, Wood, Kleefisch, Nass, Albers and Hines; cosponsored by Senators Zien, Brown, Grothman, A. Lasee, Kedzie, Kanavas and Cowles.

To committee on **Rules**.

Assembly Bill 770

Relating to: creating the Wisconsin Aerospace Authority to develop and operate spaceports and related facilities and services and other aerospace facilities and services and providing the authority with the power of condemnation, authorizing municipalities to develop and operate spaceports, and making an appropriation.

By Representatives Kestell, Albers, Davis, Gronemus, Jensen, LeMahieu, Nelson, Ott, Suder, Van Akkeren, Van Roy and Vruwink; cosponsored by Senators Leibham, Brown, Hansen and Schultz.

To joint committee on **Finance**.

Assembly Bill 771

Relating to: required general fund statutory balance, required general fund structural balance, increasing nursing home Medical Assistance reimbursement, and making appropriations.

By Representatives Sherman, Cullen, Kreuser, Pope-Roberts, Zepnick, Black, Sinicki, Nelson, Van Akkeren, Young, Turner, Boyle, Sheridan, Seidel, Berceau, Grigsby, Hebl, Pohan, Travis, Molepske, Kessler, Benedict, Staskunas, Steinbrink, Richards, Hubler, Shilling, Schneider, Lehman, Parisi, Vruwink, Fields, Gronemus, Toles, Colon and Wasserman; cosponsored by Senators Jauch, Hansen, Robson, Taylor, Miller, Lassa, Erpenbach, Wirch, A. Lasee, Decker and Breske.

To joint committee on **Finance**.

Assembly Bill 772

Relating to: burglary and providing a penalty.

By Representatives Krawczyk, Van Roy, Gronemus, Musser, Owens, Gundrum, Hahn, Gunderson, Gard, Ballweg, Albers, Hines, McCormick, Petrowski and Ott; cosponsored by Senators Grothman, Lassa, Darling, A. Lasee, Hansen and Roessler.

To committee on **Criminal Justice and Homeland Security**.

Assembly Bill 773

Relating to: requiring that patients be informed of health care facility use charges and that the charges be identified separately on bills.

By Representatives Benedict, Towns, Berceau, Fields, Hines, Lehman, Musser, Seidel, Sheridan, Sinicki and Turner; cosponsored by Senator Miller.

To committee on **Health**.

Assembly Bill 774

Relating to: eligibility of a student enrolled in a 2-year, full-time vocational diploma program at a technical college for an academic excellence higher education scholarship.

By Representatives Lothian, Krawczyk, Gronemus, Fields, Albers, Hines, Musser, Jensen, Ainsworth, Kestell, Pettis, Gunderson, Berceau, Bies, Wood and Ott; cosponsored by Senators Brown, Olsen, A. Lasee, Darling and Erpenbach.

To committee on **Workforce Development**.

Assembly Bill 775

Relating to: fermented malt beverages wholesalers.

By Representatives Pettis, Lamb, Mursau, Musser, Hahn, Albers, Huebsch, Hines and Van Roy; cosponsored by Senators Harsdorf, A. Lasee, Grothman, Lassa and Jauch.

To committee on **State Affairs**.

Assembly Bill 776

Relating to: designating and marking a portion of STH 124 as the Tommy G. Thompson Highway.

By Representatives Suder, Nischke, Schneider, Kerkman, Jeskewitz, Vos, Lothian, Krawczyk, Owens, Petrowski, Kleefisch, Ott, Kaufert, Davis, Albers, Vrakas and Hines; cosponsored by Senators Zien, A. Lasee, Kanavas and Stepp.

To committee on **Transportation**.

Assembly Bill 777

Relating to: the barbering and cosmetology examining board.

By Representatives Gielow, Gronemus, Albers, Berceau, Gottlieb, Krawczyk, Ott, Sheridan, Strachota and Van Roy; cosponsored by Senator Darling, by request of Cheryl Rebholz of Mequon.

To committee on **Health**.

Assembly Bill 778

Relating to: actions against manufacturers, distributors, sellers, and promoters of products.

By Representatives Wieckert, Honadel, Nischke, Huebsch, Jeskewitz, Albers, Gunderson, Ott, Musser, Lothian, Stone, Hahn, Nass, LeMahieu and Ainsworth; cosponsored by Senators Kanavas, Schultz, Reynolds, Darling, Stepp, Olsen, Grothman, S. Fitzgerald, A. Lasee and Harsdorf.

To committee on **Judiciary**.

Assembly Bill 779

Relating to: increasing the rate of the tax imposed on cigarettes; increasing the Medical Assistance nursing home and hospital outpatient reimbursement rates; increasing Medical Assistance reimbursement for projected caseload increases; transferring moneys to the Medical Assistance trust fund; increasing the Medical Assistance, BadgerCare, and Senior Care pharmacy drug reimbursement rates and pharmacy dispensing fees; and making appropriations.

By Representatives Schneider, Fields and A. Williams.
To joint committee on **Finance**.

Assembly Bill 780

Relating to: access to telephone numbers of state agencies and authorities on the Internet.

By Representative Schneider.

To committee on **Government Operations and Spending Limitations**.

Assembly Bill 781

Relating to: publication of a state telephone directory.

By Representative Schneider.

To committee on **Government Operations and Spending Limitations**.

Assembly Bill 782

Relating to: the deadline and procedure for voter registration and the determination of residency for voting purposes.

By Representatives Jeskewitz, Pridemore, Nischke, J. Fitzgerald, Nass, Albers, Kerkman, Lothian, Kleefisch, F. Lasee, Bies, Ainsworth, McCormick, Suder, Gundrum, Strachota and Gunderson; cosponsored by Senators Reynolds, Grothman, Stepp and Ellis.

To committee on **Campaigns and Elections**.

COMMITTEE REPORTS

The committee on **Insurance** reports and recommends:

Assembly Bill 764

Relating to: awards to persons suffering damages as the result of medical malpractice and evidence of compensation for those damages.

Assembly Substitute Amendment 1 adoption:

Ayes: 9 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg and Moulton.

Noes: 6 – Representatives Cullen, Lehman, Staskunas, Berceau, Nelson and Sheridan.

Passage as amended:

Ayes: 9 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg and Moulton.

Noes: 6 – Representatives Cullen, Lehman, Staskunas, Berceau, Nelson and Sheridan.

To committee on **Rules**.

Assembly Bill 765

Relating to: coverage under the injured patients and families compensation fund of medical school graduates engaged in postgraduate training.

Passage:

Ayes: 13 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg, Moulton, Lehman, Staskunas, Berceau and Nelson.

Noes: 2 – Representatives Cullen and Sheridan.

To committee on **Rules**.

Assembly Bill 766

Relating to: recovery of noneconomic damages in medical malpractice cases.

Passage:

Ayes: 9 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg and Moulton.

Noes: 6 – Representatives Cullen, Lehman, Staskunas, Berceau, Nelson and Sheridan.

To committee on **Rules**.

Assembly Bill 769

Relating to: requiring actuarial audits of the injured patients and families compensation fund and authorizing the fund’s board of governors to organize an insurance corporation.

Assembly Amendment 1 adoption:

Ayes: 15 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg, Moulton, Cullen, Lehman, Staskunas, Berceau, Nelson and Sheridan.

Noes: 0.

Passage as amended:

Ayes: 15 – Representatives Nischke, Wieckert, Underheim, Montgomery, McCormick, Gielow, Van Roy, Ballweg, Moulton, Cullen, Lehman, Staskunas, Berceau, Nelson and Sheridan.

Noes: 0.

To committee on **Rules**.

ANN NISCHKE
Chairperson
Committee on Insurance

The committee on **Small Business** reports and recommends:

Assembly Bill 619

Relating to: retail sales of wine by the bottle in restaurants for consumption on and off the premises.

Passage:

Ayes: 8 – Representatives Van Roy, Honadel, M. Williams, Ballweg, Mursau, Sheridan, Fields and Hebl.

Noes: 0.

To committee on **Rules**.

KARL VAN ROY
Chairperson
Committee on Small Business

The committee on **Transportation** reports and recommends:

Assembly Bill 664

Relating to: authorizing specific information signs on certain portions of USH 12.

Passage:

Ayes: 13 – Representatives Ainsworth, Petrowski, Hahn, Suder, Ott, Lamb, Van Roy, Davis, Steinbrink, Sherman, Vruwink, Molepske and Nelson.

Noes: 0.

To committee on **Rules**.

Assembly Bill 761

Relating to: a harbor assistance grant for the construction of a dockwall in the city of Marinette.

Passage:

Ayes: 8 – Representatives Ainsworth, Petrowski, Hahn, Suder, Ott, Lamb, Van Roy and Davis.

Noes: 5 – Representatives Steinbrink, Sherman, Vruwink, Molepske and Nelson.

To committee on **Rules**.

Assembly Bill 762

Relating to: exempting from motor carrier regulations certain vehicle combinations operated in intrastate commerce.

Passage:

Ayes: 13 – Representatives Ainsworth, Petrowski, Hahn, Suder, Ott, Lamb, Van Roy, Davis, Steinbrink, Sherman, Vruwink, Molepske and Nelson.

Noes: 0.

To committee on **Rules**.

JOHN AINSWORTH
Chairperson
Committee on Transportation

REFERENCE BUREAU CORRECTIONS

Assembly Substitute Amendment 1 to **Assembly Bill 129**

1. Page 2, line 14: delete “proceeding” and substitute “preceding”.

COMMUNICATIONS

October 18, 2005

Patrick Fuller
Assembly Chief Clerk
17 West Main Street, Suite 208
Madison, WI 53703

Dear Mr. Fuller:

I am writing to ask that I be added as a co-sponsor to 2005 Assembly Bill 594, relating to the repossession of goods in consumer credit transactions and certain consumer leases.

I respectfully request that the Assembly Journal and other relevant records be amended to reflect my co-sponsorship of Assembly Bill 594.

Thank you for your time and attention to this matter. If you have any questions, please feel free to contact me.

Sincerely,
JENNIFER SHILLING
State Representative
95th Assembly District

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Department of Revenue
Madison

October 2005

To the Honorable, the Legislature:

I am submitting the quarterly report of the Wisconsin Lottery for the quarter ending September 30, 2005. As required by s. 565.37(3), Wis. Stats., the attached materials contain unaudited Wisconsin Lottery year to date Revenue and Expenditure information.

Net operating income was \$34.6 million for the quarter, up 6.1 per cent, compared to the same quarter last year.

The information reported here is a summary and is not intended to be a complete financial accounting of Wisconsin Lottery operations.

If you have any question or comments regarding this report, please feel free to contact me at (608) 266-6466.

Sincerely,
MICHAEL L. MORGAN
Secretary of Revenue

Referred to committee on **State Affairs**.

State of Wisconsin
Department of Administration
Madison

October 17, 2005

To the Honorable, the Legislature:

Attached please find the Department of Administration's contractual service procurement report for fiscal year 2005 pursuant to Section 16.705(8), Wis. Stats.

Your review of this report may benefit from understanding the historical context of State contracting. During the 1990's, State Government grew at an unprecedented rate. Consistent with this, State contracting grew by 123% between FY94 and FY03. Upon taking office, Governor Doyle directed his Cabinet to be conscientious about contracting for services. In FY04, State agencies reduced the overall amount spent on contracting by almost 6% between fiscal years 2003 and 2004.

When compared to the same set of data as previous years, I am pleased to report that State agencies again reduced the overall amount spent on contractual services in fiscal year 2005 by

6.65%, for a total reduction of 12.08% since Governor Doyle took office.

As we move forward, contractual service contracts will continue to be closely scrutinized. The Department of Administration recently re-bid a contract for Information Technology Services. For the first time, rate cards for a wide range of IT positions have been developed. These rate cards are based on market conditions and are the maximum rates that agencies will pay for these services. This contract is projected to generate 17% savings or \$9,647,410 over the biennium. The State intends to award similar contracts for temporary services and consulting services in fiscal year 2006.

Moreover, as part of the ACE Initiative, Governor Doyle directed that the State look strategically at how it contracts for goods and services in all areas and on an enterprise-wide basis. In particular, the Governor directed that:

The State deploy the needed IT systems to allow for tracking and monitoring all state contracts. The State has completed the development of business requirements for a statewide enterprise resource system that, for the first time, will enable all state agencies to utilize a single procurement system. This will empower the State to find opportunities to consolidate, eliminate or re-bid contracts to save taxpayers dollars. In addition, it will increase protections to ensure that terms of the contracts are properly carried out. The request for the proposal is expected to be released in late October of 2005.

State agencies complete a uniform, rigorous cost benefit analysis when making contracting decisions for services. This cost benefit analysis was fully implemented in 2005. It requires the State to take into account all relevant factors including quality and nature of services required, capacity and expertise of the State workforce, whether the work is a core service of State government, and whether it is a short-term service or an on-going need.

The State streamline its contracting process and procurement organization to make it more efficient, effective and responsive. Agency procurement staff has been streamlined by 23% and the procurement function is largely consolidated at the Department of Administration. The State is implementing new strategic sourcing techniques to consolidate contracts, leverage state spending and streamline solicitations. Recently the Governor announced contracts in seven categories that were strategically sourced and anticipated to result in almost \$80 million of saving for the State over the life of the contracts.

If you have questions about this report, please direct them to Patrick Farley in the Department of Administration, Division of Enterprise Operations, at 266-0779.

Sincerely,
STEPHEN E. BABLITCH
Secretary

Referred to committee on **Government Operations and Spending Limitations**.

AGENCY REPORTS

State of Wisconsin
Legislative Audit Bureau
Madison

October 18, 2005

To the Honorable, the Assembly:

The State's Annual Fiscal Report for fiscal year (FY) 2004-05, which was issued on October 17, 2005, shows an unreserved, undesignated General Fund surplus balance of \$4.1 million. I am writing to inform you of accounting changes by the Department of Administration that led to the reported surplus balance. These changes also resulted in the continuation of a deficit balance in the Medical Assistance Trust Fund at the end of FY 2004-05.

Throughout much of FY 2004-05, the Medical Assistance Trust Fund had a deficit balance because expenditures exceeded anticipated revenues. To address the shortfall, [2005 Wisconsin Act 2](#) directed that \$50.0 million be transferred from the General Fund to the Medical Assistance Trust Fund. [2005 Wisconsin Act 15](#) subsequently directed that an additional \$75.0 million be transferred to the Medical Assistance Trust Fund to cover the full deficit by the end of FY 2004-05.

On June 28, 2005, the Department of Administration transferred \$75.0 million from the General Fund to the Medical Assistance Trust Fund. On June 29, 2005, it reported to the Legislature on deficit cash balances, as required by [s. 20.002\(11\)\(f\)](#), Wis. Stats. In explaining the deficit in the Medical Assistance Trust Fund during May 2005, the Department of Administration indicated that "(t)his deficit will decline by \$125.0 million in June when revenue is transferred from the general fund to the Medical Assistance Trust Fund as required by [2005 Wisconsin Act 2](#) and [2005 Wisconsin Act 15](#)."

Last week, it became apparent that because of errors we identified in the Department of Revenue's accounting for individual income tax revenues, the General Fund's unreserved, undesignated balance at the end of FY 2004-05 would have been reported as a deficit of \$50.9 million in the Annual Fiscal Report. However, as the report was finalized, the Department of Administration made the following accounting changes. First, it reversed the June 28, 2005 transfer of \$75.0 million from the General Fund to the Medical Assistance Trust Fund. Second, it divided the \$75.0

million between two fiscal years, so that \$20.0 million was reported during FY 2004-05 and the remaining \$55.0 million was reported during FY 2005-06.

Because of these changes, the Annual Fiscal Report included a positive unreserved, undesignated General Fund balance of \$4.1 million as of June 30, 2005. However, because the entire \$75.0 million transfer specified in [2005 Wisconsin Act 15](#) was not made as of the end of FY 2004-05, a deficit balance of \$53.9 million was reported in the Medical Assistance Trust Fund.

Representatives of the Department of Administration believe that the reversal of the initial \$75.0 million transfer and subsequent division of funds between two fiscal years is allowable under [s. 16.52\(12\)](#), Wis. Stats., which allows that agency's Secretary to determine the timing of interfund transfers when the Legislature does not specify a date. Agency representatives also indicate that if the Department of Revenue's accounting errors had been known, the Department of Administration would not have transferred \$75.0 million from the General Fund on June 28, 2005, because sufficient funds would not have been available.

We are concerned because the Department of Administration's action is in conflict with the Legislature's intent that the Medical Assistance Trust Fund be balanced at the end of FY 2004-05. We are also concerned that the Department of Administration's interpretation of [s. 16.52\(12\)](#), Wis. Stats., could allow it to delay indefinitely the legislatively mandated transfers to the Medical Assistance Trust Fund under Act 15, as well as any other transfer the Legislature may authorize without specifically stating the date by which it is to be made.

We review the financial statements included in the Annual Fiscal Report because the unreserved, undesignated General Fund balance represents funds available for general appropriation. However, we do not audit those financial statements. The audited financial statements for FY 2004-05 prepared in accordance with generally accepted accounting principles will be included in the State's Comprehensive Annual Financial Report, which is expected to be issued in December 2005.

Please contact me if you have any questions.

Sincerely,
JANICE MUELLER
State Auditor